

**AEON CO. (M) BHD.**  
Registration No. 198401014370 (126926-H)

MINUTES OF THE FORTIETH ANNUAL GENERAL MEETING OF THE COMPANY HELD AT THE GRAND BALLROOM, LEVEL 2, INTERCONTINENTAL KUALA LUMPUR, 165, JALAN AMPANG, 50450 KUALA LUMPUR, MALAYSIA (“MEETING VENUE”) AND LIVE BROADCAST FROM THE MEETING VENUE ON THURSDAY, 22 MAY 2025 AT 2.00 P.M.

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**PRESENT**

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**DIRECTORS**

Datuk Iskandar bin Sarudin	- Chairman and a proxy for shareholders set out in the Attendance Summary attached.
Mr Naoya Okada	- Managing Director (“MD”)
Mr Tsugutoshi Seko	- Deputy MD
Encik Hisham Bin Zainal Mokhtar	
Puan Zaida Khalida Binti Shaari	
Dato’ Merina Binti Abu Tahir	
Ms Jenifer Thien Bit Leong	
Encik Mohamad Abdul Naser Bin Md Jaafar @ Yunus	
Ms Chong Swee Ying	- Also a Shareholder
Mr Hiroaki Egawa	

**IN ATTENDANCE**

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Ms Samantha Tai Yit Chan	- Company Secretary
Mr Chan Chee Keong	- Engagement Partner of KPMG PLT

**BY INVITATION**

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Ms Tan Ai Lee - Chief Financial Officer

The list of shareholders and proxies who attended the Meeting is set out in the Attendance Lists attached and shall form an integral part of this Minutes.

**1. OPENING REMARKS BY THE CHAIRMAN**

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The Chairman, Datuk Iskandar bin Sarudin, extended a warm welcome to the shareholders, proxies and invitees to the Company’s Fortieth Annual General Meeting (“**40<sup>th</sup> AGM**”). The Company Secretary informed the Meeting that the 40<sup>th</sup> AGM is conducted in a hybrid mode, which include both in-person attendance at the Meeting Venue and online remote participation by using

*AEON CO. (M) BHD.*

*Registration No. 198401014370 (126926-H)*

*- Minutes of the 40<sup>th</sup> Annual General Meeting held on 22 May 2025*

Remote Participation and Electronic Voting Facilities (“**RPEV**”) provided by Boardroom Share Registrars Sdn Bhd (“**Boardroom**”) and is streaming from BSIP Online website at <https://investor.boardroomlimited.com>.

## **2. VOTING PROCEDURES**

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The Meeting noted that all resolutions set out in the Notice of the 40<sup>th</sup> AGM must be voted by poll pursuant to Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“**Bursa Securities**”).

The Company Secretary informed that the Company had appointed Boardroom to conduct the poll voting electronically and SKY Corporate Services Sdn Bhd as the scrutineer to verify the poll results. Polling was opened at the commencement of the AGM wherein members/proxies/corporate representatives could start to cast their votes. The results of the poll voting will be announced after the scrutineer has verified the poll results upon closure of the voting session. The Chairman directed that all the resolutions set forth in the Notice of the 40<sup>th</sup> AGM be conducted by way of electronic polling.

Shareholders were then briefed on the voting procedures through a video tutorial by the poll administrator.

## **3. INTRODUCTIONS**

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The Chairman introduced the Board of Directors, Company Secretary, Chief Financial Officer and the representative of the External Auditors, Messrs KPMG PLT to the Meeting.

## **4. QUORUM AND SUMMARY OF PROXIES RECEIVED**

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The Company Secretary informed that based on the report by the appointed Poll Administrator of the Meeting, at the start of the Meeting, a total of 894 members, comprising shareholders, proxies and corporate representatives, representing 740,591,462 ordinary shares or 52.74% of the total number of issued shares of the Company had registered to attend the Meeting.

The Company had received in total 483 proxy forms from the shareholders for a total of 1,108,978,887 ordinary shares, representing 78.99% of the total number of issued shares of the Company.

The Company Secretary confirmed that a quorum was present. With the requisite quorum being present, the Meeting was called to order at 2.05 p.m.

## **5. NOTICE OF AGM**

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The Notice of the Meeting having been circulated within the stipulated time frame was taken as read.

The Chairman informed that the Company had received questions from the shareholders prior to the Meeting. The Chairman further invited shareholders and proxies participating virtually to raise questions in real time by submitting their questions via the query box. The Company will respond to the questions from shareholders present at the Meeting Venue as well as those submitted virtually during the Q&A session after the conclusion of all agenda items in the Notice of the Meeting.

## **6. WELCOME ADDRESS AND SPEECH BY THE CHAIRMAN**

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The Chairman gave a welcome address to all participants of the 40<sup>th</sup> AGM, which marked the Company's 40<sup>th</sup> anniversary in Malaysia.

The Chairman commented that amid a dynamic economic environment and shifting consumer behaviours, the Company remained focus in executing its strategic priorities, which include enhancing customer engagement, capitalising on new opportunities, and strengthening core businesses. The Company also committed in in sustainability and strategic investments made in digital transformation, store modernisation, and customer experience to deliver strong results for the financial year ended 31 December 2024 ("FY2024").

The Chairman further announced that as a token of appreciation for shareholders, proxies and corporate representatives who attended and vote at the 40<sup>th</sup> AGM, a RM50 e-voucher will be credited into the AEON Member Plus Card or the AEON wallet app for the participants. The Chairman further announced that the door gift redemption will close on 30 September 2025.

## **7. PRESENTATION BY THE MANAGING DIRECTOR**

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At the invitation of the Chairman, the Managing Director, Mr Naoya Okada ("Mr Okada") briefed the Meeting on the financial and business performance for FY2024 and the future direction of the Company.

Mr Okada briefed the Meeting on the financial highlights for FY2024 of the Company, details of which were summarised as below:-

- The Company recorded a revenue of RM4.3 billion for FY2024 driven by growth across both retail and property management services businesses. The Company recorded a Profit After Tax ("PAT") of RM128.0 million

for FY2024, which was 11% higher as compared to FY2023 due to the top-line growth and stringent cost discipline maintained by the Company.

- To reward the shareholders of the Company, the Board had proposed a final dividend of 4.5 sen per ordinary share for FY2024, subject to shareholders' approval.

Mr Okada briefed the Meeting that the performance of the Company for FY2024 reflects the strength of the Company's clear and focused strategy which include growing retail customer base, increasing foot traffic across property management services portfolio, and driving sustainable practices throughout operations. Mr Okada gave a recap of the Company's performance for FY2024 as follows:

- In year 2024, inflationary pressures had shifted consumer spending to essentials and in response, the Company moved swiftly to support the customers with relevant and meaningful value-driven initiatives and targeted campaigns to help ease the financial burden and deliver real value to customers.
- The Company had also placed greater focus on growing its private brands, which not only provided quality products at accessible price points but also enhance its differentiation in an increasingly competitive market.
- The Company's integrated business model, which combines retail and property management services under one roof, remains one of its greatest strengths and a key driver of continued expansion across Malaysia. The Company had opened AEON Setia Alam in March 2024, along with three AEON Wellness, six DAISO, and a Petemo Petlife store in Bandar Utama. With the opening of these new stores, the Company now operates a total of 184 outlets nationwide.
- The Company had completed all renovation projects across AEON stores and malls planned for FY2024, including AEON Bandar Puchong, AEON Bukit Indah and more, which contributed to increased customer footfall to both stores and malls. The Company achieved an occupancy rate of approximately 97% and a positive rent reversion rate of 8% in FY2024. Tenant sales across AEON Malls had also rose by 8.5%, underscoring the appeal of AEON stores and malls as vibrant lifestyle destination.
- As part of the Company's digital transformation journey, the Company introduced several key initiatives and one of the standout initiatives was the expansion of self-checkout counters across AEON stores. The Company had close to 500 self-checkout counters, with utilisation rate climbing significantly to 40% for FY2024 as compared to 28% for FY2023. In addition, the Company also introduced vehicle license plate recognition system for added convenience for its customers across seven AEON malls with more locations to be upgraded with this system in the future.
- The e-commerce platform, myAEON2go, continued to see double-digit growth in online sales supported by enhanced delivery speed and expanded product range. The Company will further integrate digital tools and omnichannel solutions to deliver even more seamless and personalised shopping experiences.

- In FY2024, the AEON Sustainability Charter had been enhanced, which sharpens the Company's ESG focus with clearer targets and actionable goals that are deeply integrated into the business strategy. A key ESG effort undertaken by the Company was to equip 11 malls with active solar PV systems to supplement the Company's energy usage with renewable energy while helping to reduce the carbon footprint as of FY2024. This had contributed towards the reduction of the Company's total GHG emissions under Scope 1 and Scope 2 by 17% for FY2024 comparing against the base year of 2019. The Company had also planted over 7,000 trees in 28 schools near its malls in FY2024 reflected on its ongoing commitment for a greener planet.

Mr Okada then presented the strategic priorities of the Company for FY2025 and beyond as follows:

- The AEON Living Zone ecosystem, which connects retail, financial, lifestyle and community together and creates spaces that go beyond shopping to serve as vibrant community hubs will be strengthened.
- AEON Mall KL Midtown, which is a new concept mall, is slated to open in year 2026. KL Midtown will be more lifestyle centric where the interior areas are designed to seamlessly integrate with nature to create a more natural feeling space to generate a vibrant and modern shopping experience for customers. New retail space with advanced technological features will also be introduced for different urban shopping experience.
- Another project to be undertaken by the Company is the expansion of AEON Mall Seremban 2, which involves building a brand new 2-storey mall linked to the existing AEON Mall Seremban 2 to offer an expanded retail space and enhanced shopping experience for customers.
- The Company will also collaborate with the landlord to commence the expansion of AEON Mall Kinta City to serve the local community and further strengthening our presence in the northern region.

## **8. AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024**

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The Chairman informed the Meeting that the first item on the Agenda was to receive the Audited Financial Statements for the financial year ended 31 December 2024 together with the Reports of the Directors' and Auditors' thereon.

The Audited Financial Statements for the financial year ended 31 December 2024 together with the Reports of the Directors and Auditors having been circulated within the prescribed period was with the permission of the Meeting taken as read.

The Chairman informed that the Audited Financial Statements for the financial year ended 31 December 2024 tabled were meant for discussion only as

provision under Section 340 of the Companies Act, 2016 does not require approval of shareholders.

Thereafter, the Chairman went through each of the motion set out in the Notice of the 40<sup>th</sup> AGM.

**9. FINAL DIVIDEND - Ordinary Resolution 1**  
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The Chairman informed that Ordinary Resolution 1 was to declare and approve the payment of a final dividend of 4.5 sen per ordinary share in respect of the financial year ended 31 December 2024.

**10. DIRECTORS' FEES AND BENEFIT PAYABLE TO THE NON-EXECUTIVE DIRECTORS - Ordinary Resolution 2**  
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The Chairman informed that Ordinary Resolution 2 was to approve the payment of Directors' Fees and Benefit Payable to the Non-Executive Directors of up to Ringgit Malaysia One Million and Seven Hundred Thousand (RM1,700,000) for the period from 23 May 2025 until the conclusion of the next Annual General Meeting of the Company to be held in 2026.

The Chairman further informed that Ms Chong Swee Ying, who is a Director and also shareholder of the Company, would abstain from approving her own Directors' Fees at the AGM.

**11. RE-ELECTION OF DIRECTOR – DATUK ISKANDAR BIN SARUDIN**  
- Ordinary Resolution 3  
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The Chairman informed that Ordinary Resolution 3 was with regards to his re-election as Director. As the Chairman is deemed interested in Agenda item, he invited Encik Hisham Bin Zainal Mokhtar ("**Encik Hisham**"), the Senior Independent Non-Executive Director of the Company, to take over the Chair for the deliberation of this resolution.

Encik Hisham informed that Ordinary Resolution 3 was to re-elect Datuk Iskandar bin Sarudin who retired pursuant to the Company's Articles of Association and being eligible, had offered himself for re-election. After tabling this Agenda item, Encik Hisham handed back the chair to the Chairman.

**12. RE-ELECTION OF DIRECTORS - Ordinary Resolutions 4 to 12**

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The Chairman informed that Ordinary Resolutions 4 to 12 were to re-elect Mr Naoya Okada, Mr Tsugutoshi Seko, Encik Hisham Bin Zainal Mokhtar, Puan Zaida Khalida Binti Shaari, Dato' Merina Binti Abu Tahir, Ms Jenifer Thien Bit Leong, Encik Mohamad Abdul Naser Bin Md Jaafar @ Yunus, Ms Chong Swee Ying and Mr Hiroaki Egawa who retired pursuant to the Company's Articles 74 of Articles of Association and being eligible, had offered themselves for re-election.

**13. RE-APPOINTMENT OF AUDITORS - Ordinary Resolution 13**

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The Chairman informed that Ordinary Resolution 13 was to re-appoint Messrs KPMG PLT as Auditors of the Company and to authorise the Directors to fix their remuneration. The retiring Auditors, Messrs KPMG PLT had signified their consent to continue to act as Auditors of the Company.

**14. PROPOSED RENEWAL OF EXISTING SHAREHOLDERS' MANDATE FOR THE RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE AND PROPOSED NEW SHAREHOLDERS' MANDATE FOR ADDITIONAL RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE - Ordinary Resolution 14**

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The Chairman informed that Ordinary Resolution 14 was to seek Shareholders' approval for the Company to enter into recurrent and new related party transactions that are not more favourable to the related parties than those generally available to the public and the transactions are undertaken on arm's length basis and are not to the detriment of the minority shareholders of the Company.

The Meeting noted that the details of the recurrent related party transactions had been set out in the Circular to Shareholders dated 23 April 2025.

The Chairman further informed that the interested parties namely, Datuk Iskandar bin Sarudin, Mr Naoya Okada, Mr Tsugutoshi Seko, Ms Chong Swee Ying, Mr Hiroaki Egawa and AEON CO., LTD., had declared their interests and had undertaken to ensure that persons connected to them had abstained from voting on the resolution, deliberating and approving the Proposed Shareholders' Mandate at the AGM.

## 15. QUESTIONS AND ANSWERS SESSION

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The Chairman informed that the Company had received questions from Minority Shareholder Watch Group (“**MSWG**”) seeking clarification/information on several issues raised pertaining to the operational and financial matters as well as sustainability.

Ms Tan Ai Lee (“**Ms Tan**”) and Mr Tsugutoshi Seko (“**Mr Seko**”) presented the replies to the questions raised from MSWG, details as set out in “Appendix I” attached herein.

Having addressed the questions from MSWG, the Chairman, Mr Okada, Mr Seko, Ms Tan and Puan Zaida Khalida Binti Shaari (“**Puan Zaida**”) then proceeded to respond to the queries raised by the members/proxies submitted prior to the 40<sup>th</sup> AGM, live questions submitted via the online meeting portal and live questions raised at the Meeting venue. A summary of the queries raised and responses provided is appended as Appendix II.

After due discussion, the Audited Financial Statements for the financial year ended 31 December 2024 together with the Directors’ and the Auditors’ Reports thereon were deemed properly laid and duly received at the AGM.

## 16. VOTING

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After having addressed all the questions raised, the Chairman proceeded to voting. The Chairman placed on record that some shareholders have appointed him to be their proxy and he will vote according to their instructions. The Chairman also informed that the verification of the votes by the scrutineer would take approximately 20 minutes and the Meeting resumed at approximately 4.45 pm for the declaration of voting results. The Chairman declared the polling closed for voting to be carried out.

## POLL RESULTS

The Meeting was called to order when resumed at 4.45 p.m. and after obtaining the report from the scrutineer, the Chairman announced the results of the poll as follows:-

Resolutions	Votes in favour		Votes against	
	No. of shares	%	No. of shares	%
<b>Ordinary Resolution 1</b>  To declare and approve the payment of a final dividend of 4.5 sen per ordinary share in respect of the financial year ended 31 December 2024	1,113,062,472	99.9964	40,078	0.0036



*AEON CO. (M) BHD.*

*Registration No. 198401014370 (126926-H)*

*- Minutes of the 40<sup>th</sup> Annual General Meeting held on 22 May 2025*

<b>Ordinary Resolution 2</b>  To approve the payment of the Director's fees and benefits payable to the Non-Executive Directors of up to Ringgit Malaysia One Million and Seven Hundred Thousand (RM1,700,000) for the period from 23 May 2025 until the conclusion of the next Annual General Meeting of the Company to be held in 2026	1,112,307,200	99.9757	269,948	0.0243
<b>Ordinary Resolution 3</b>  To re-elect the Director, Datuk Iskandar bin Sarudin, who is retiring pursuant to Article 74 of the Company's Articles of Association	957,464,763	99.9118	844,886	0.0882
<b>Ordinary Resolution 4</b>  To re-elect the Director, Mr Naoya Okada, who is retiring pursuant to Article 74 of the Company's Articles of Association	1,112,528,346	99.9911	99,402	0.0089
<b>Ordinary Resolution 5</b>  To re-elect the Director, Mr Tsugutoshi Seko, who is retiring pursuant to Article 74 of the Company's Articles of Association	1,112,252,922	99.9679	356,826	0.0321
<b>Ordinary Resolution 6</b>  To re-elect the Director, Encik Hisham Bin Zainal Mokhtar, who is retiring pursuant to Article 74 of the Company's Articles of Association	1,112,222,162	99.9645	394,686	0.0355

*AEON CO. (M) BHD.*

*Registration No. 198401014370 (126926-H)*

*- Minutes of the 40<sup>th</sup> Annual General Meeting held on 22 May 2025*

<b>Ordinary Resolution 7</b>  To re-elect the Director, Puan Zaida Khalida Binti Shaari, who is retiring pursuant to Article 74 of the Company's Articles of Association	1,112,243,148	99.9676	360,800	0.0324
<b>Ordinary Resolution 8</b>  To re-elect the Director, Dato' Merina Binti Abu Tahir, who is retiring pursuant to Article 74 of the Company's Articles of Association	1,112,245,550	99.9674	362,399	0.0326
<b>Ordinary Resolution 9</b>  To re-elect the Director, Ms Jenifer Thien Bit Leong, who is retiring pursuant to Article 74 of the Company's Articles of Association	1,110,208,936	99.7833	2,410,712	0.2167
<b>Ordinary Resolution 10</b>  To re-elect the Director, Encik Mohamad Abdul Naser Bin Md Jaafar @ Yunus, who is retiring pursuant to Article 74 of the Company's Articles of Association	1,112,214,264	99.9646	393,784	0.0354
<b>Ordinary Resolution 11</b>  To re-elect the Director, Ms Chong Swee Ying, who is retiring pursuant to Article 74 of the Company's Articles of Association	1,111,818,935	99.9281	800,013	0.0719
<b>Ordinary Resolution 12</b>  To re-elect the Director, Mr Hiroaki Egawa, who is retiring pursuant to Article 74 of the Company's Articles of Association	1,112,497,957	99.9889	122,991	0.0111

AEON CO. (M) BHD.

Registration No. 198401014370 (126926-H)

- Minutes of the 40<sup>th</sup> Annual General Meeting held on 22 May 2025

<b>Ordinary Resolution 13</b>				
To re-appoint KPMG PLT as Auditors of the Company and to authorise the Directors to fix their remuneration.	1,112,086,797	99.9520	534,252	0.0480
<b>Ordinary Resolution 14</b>				
Proposed Renewal of Existing Shareholders' Mandate for the Recurrent Related Party Transactions of a Revenue or Trading Nature and Proposed New Shareholders' Mandate for Additional Recurrent Related Party Transactions of a Revenue or Trading Nature	396,349,560	99.9509	194,788	0.0491

Based on the results of the poll voting, the Chair declared the following resolutions **APPROVED AND RESOLVED** as follows:-

#### **ORDINARY RESOLUTION 1**

“That the payment of a Final Dividend of 4.5 sen per ordinary share in respect of the financial year ended 31 December 2024 be and is hereby approved.”

#### **ORDINARY RESOLUTION 2**

“That the Directors' fees and benefits payable to the Non-Executive Directors of up to RM1,700,000 for the period from 23 May 2025 until the conclusion of the next Annual General Meeting of the Company to be held in 2026 be and is hereby approved.”

#### **ORDINARY RESOLUTION 3**

“That Datuk Iskandar bin Sarudin be and is hereby re-elected as Director of the Company.”

#### **ORDINARY RESOLUTION 4**

“That Mr Naoya Okada be and is hereby re-elected as Director of the Company.”

#### **ORDINARY RESOLUTION 5**

“That Mr Tsugutoshi Seko be and is hereby re-elected as Director of the Company.”

*AEON CO. (M) BHD.*

*Registration No. 198401014370 (126926-H)*

*- Minutes of the 40<sup>th</sup> Annual General Meeting held on 22 May 2025*

#### **ORDINARY RESOLUTION 6**

“That Encik Hisham Bin Zainal Mokhtar be and is hereby re-elected as Director of the Company.”

#### **ORDINARY RESOLUTION 7**

“That Puan Zaida Khalida Binti Shaari be and is hereby re-elected as Director of the Company.”

#### **ORDINARY RESOLUTION 8**

“That Dato' Merina Binti Abu Tahir be and is hereby re-elected as Director of the Company.”

#### **ORDINARY RESOLUTION 9**

“That Ms Jenifer Thien Bit Leong be and is hereby re-elected as Director of the Company.”

#### **ORDINARY RESOLUTION 10**

“That Encik Mohamad Abdul Naser Bin Md Jaafar @ Yunus be and is hereby re-elected as Director of the Company.”

#### **ORDINARY RESOLUTION 11**

“That Ms Chong Swee Ying be and is hereby re-elected as Director of the Company.”

#### **ORDINARY RESOLUTION 12**

“That Mr Hiroaki Egawa be and is hereby re-elected as Director of the Company.”

#### **ORDINARY RESOLUTION 13**

“That the retiring Auditors, Messrs KPMG PLT. having signified their consent to act, be hereby re-appointed as Auditors at a fee to be fixed by the Directors.”

#### **ORDINARY RESOLUTION 14**

- **PROPOSED RENEWAL OF EXISTING SHAREHOLDERS' MANDATE FOR THE RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE AND PROPOSED NEW SHAREHOLDERS' MANDATE FOR ADDITIONAL RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE**

“THAT approval be and is hereby given to the Company, to enter and give effect to the recurrent related party transactions of a revenue or trading nature (hereinafter to be referred to as “Recurrent Transactions”) with the related parties as stated in Section

*AEON CO. (M) BHD.*

*Registration No. 198401014370 (126926-H)*

*- Minutes of the 40<sup>th</sup> Annual General Meeting held on 22 May 2025*

2.3 of the Circular to Shareholders dated 23 April 2025 which are necessary for the Company's day-to-day operations subject further to the following:

- (i) the Recurrent Transactions contemplated are in the ordinary course of business and on terms which are not more favourable to related parties than those generally available to the public, and are not to the detriment of the minority shareholders;
- (ii) the approval is subject to annual renewal and shall only continue to be in force until:
  - a) the conclusion of the next Annual General Meeting of the Company following the forthcoming Annual General Meeting of the Company at which the Proposed Shareholders' Mandate is approved, at which time it will lapse unless by a resolution passed at the Annual General Meeting the mandate is again renewed;
  - b) the expiration of the period within which the next Annual General Meeting of the Company after the date it is required to be held pursuant to Section 340(2) of the Companies Act, 2016 (but shall not extend to such extensions as may be allowed pursuant to Section 340(4) of the Companies Act, 2016); or
  - c) revoked or varied by resolution passed by the shareholders in general meeting, whichever is the earlier; and
- (iii) the disclosure of the breakdown of the aggregate value of the Recurrent Transactions conducted pursuant to the Proposed Shareholders' Mandate in the Annual Report of the Company based on the following information:
  - a) the type of Recurrent Transactions entered into; and
  - b) the names of the related parties involved in each type of the Recurrent Transactions entered into and their relationship with the Company.

AND THAT the Directors of the Company be and are hereby authorised to do all acts and things to give full effect to the Recurrent Transactions contemplated and/or authorised by this resolution, as the Directors of the Company, in their absolute discretion, deem fit.”

*AEON CO. (M) BHD.*

*Registration No. 198401014370 (126926-H)*

*- Minutes of the 40<sup>th</sup> Annual General Meeting held on 22 May 2025*

**17. CONCLUSION**

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There being no other business to be transacted, the Meeting concluded at 4.45 p.m. with a vote of thanks to the Chair.

*\*Note: A total of 2,356 members, comprising shareholders, proxies and corporate representatives had registered to attend the Meeting.*

SIGNED AS A CORRECT RECORD

- SIGNED -

.....  
CHAIRMAN  
DATUK ISKANDAR BIN SARUDIN

Date : 30 June 2025

## **Operational & Financial Matters**

1. Private Brands’ expansion has strengthened the overall margin of retail business. Having expanded the product assortment of its Private Brands in FY 2024, AEON is able to diversify its product assortment and offerings to improve margin, while also catering to a wider range of customer preferences and needs. (Page 31 of IAR 2024)

How significant has the Private Brands expansion contributed to AEON’s revenue growth and profitability? Are these positive outcomes from the Private Brands’ contributions sustainable in FY 2025?

**We have been driving the growth of our Private Brands, which are available exclusively at AEON. These Private Brands contribute around 17% of our total retail sales in FY2024. While we cannot disclose specific profitability figures due to the commercial sensitivity and confidentiality reasons, we can share that these brands have played a significant role in margin improvement driven by the aggressive expansion of our SKU offerings particularly under TOPVALU and HOME COORDY brands. Looking ahead, we expect the continued expansion of our Private Brand portfolio to sustain the margin improvement as more consumers discover and experience these products.**

2. With the growing number of health and wellness enthusiasts, demand for related products and services has also risen. To cater to this increasing demand, AEON expanded its specialty outlets footprint with new AEON Wellness outlets, offering a holistic approach to health and beauty through an extensive range of products and services. (Page 43 of IAR 2024)

- a) How was the financial performance of AEON Wellness in FY 2024 compared to that in FY 2023?

**AEON Wellness continues to grow steadily with a 2% increase in revenue compared to last year. This growth is supported by a broader product range and our strategic presence within AEON Malls and supermarkets, which allows us to capitalise on the high and consistent footfall.**

- b) How many more new outlets are to be opened in FY 2025?

**While we typically do not disclose outlet-specific targets, we are planning to open around 8 to 10 new specialty outlets across our portfolio in FY2025, subject to market conditions and other unforeseen circumstances. This planned expansion will include new outlets under AEON Wellness, DAISO, and AEON MaxValu, reflecting our continued focus on growing our specialty segment and making our offerings more accessible to customers.**

- c) Considering the keen competition with so many pharmacies mushrooming, how could AEON Wellness compete strongly? What competitive advantages does it have over its peers?

**AEON Wellness remains competitive in a crowded market by leveraging the strength of the AEON brand, our strategic mall locations, and a strong loyal member base. These advantages give us consistent footfall and deep customer engagement.**

**AEON Wellness differentiates itself through the personalised services. Our Pharmacists and Beauty Advisors offer health checks, diet and supplement advice, as well as skin analysis which create meaningful interactions with our customers. Our scale also allows us to directly imports products from Japan which give us access to high-quality, exclusive products to AEON.**

**With these strengths, AEON Wellness is not just selling products, we are delivering a trusted, integrated wellness experience that sets us apart from the competition.**

3. Has the launch of AEON Bank's first Islamic digital bank in 2024 benefited AEON in driving its sales or any other areas? Please explain and provide some numbers, where applicable.

**The launch of AEON Digital Bank, Malaysia's first Islamic digital bank, in 2024 is still in its early stage, but it marks a significant step in strengthening the AEON Living Zone ecosystem.**

**While it is still too early to quantify a direct impact on AEON's retail sales, the integration of AEON Digital Bank's financial services has already enhanced our retail business through the e-wallet service and integrated loyalty rewards where customers can enjoy seamless and cashless payments while earning and redeeming AEON points directly through the app.**

4. Litigation related expenses amounted to RM22.566 million in FY 2024 (FY 2023: Nil) (Page 189 of IAR 2024).

On 2 March 2021, the Company was served with a legal suit by Betanaz Properties Sdn. Bhd., alleging that the Company had wrongfully terminated a Tenancy Agreement dated 24 August 2017, thereby breaching the terms of the agreement. However, on 23 December 2024, the Company filed both the Notice of Appeal and the Stay Application for a stay of execution of the High Court's decision. The Court of Appeal has fixed the case management date on 25 March 2025. (Pages 206 & 207 of IAR 2024)

What is the progress of the appeal?

**On 25 March 2025, the Court of Appeal fixed a further case management date on 21 April 2025 and during the case management on 21 April 2025, the Court of Appeal has fixed the Hearing date for the Appeal on 17 March 2026. We will make further announcements as and when there are material updates.**



## **Sustainability Matters**

1. Under the AEON Sustainability Charter, one Focus Area is Foster Sustainable Business Partnership and under Aspiration & targets – one area is 50% and 100% tenant adherence to ESG guidelines by 2030 and 2040, respectively. In respect of FY 2024 performance – New target set in 2024; performance tracking will begin in subsequent fiscal years. (Page 57 of IAR 2024)

The ESG Guidelines could be rather wide; what are the areas, parameters or key indicators used to track performance and adherence? How confident is the Company that 50% tenant adherence to ESG Guidelines will be complied with by 2030?

**The ESG Guidelines are part of the AEON Mall Tenant Management Handbook, which sets expectations for tenant operations and sustainability initiatives. We track tenant adherence using key areas like Waste Management and Recycling Practices, Promotion of Sustainable Operations, Water Conservation, Energy Efficiency as well as Health and Safety Standards.**

**We started working on this in FY2024, with phased implementation commencing in Q1 this year. We will track performance such as self-declarations, audits, ESG scoring frameworks, and reporting tools, starting with baseline assessments.**

**AEON aims for 50% tenant adherence by 2030. We will do this in stages, working closely with high-impact tenants, embedding ESG expectations into tenancy contracts, offering implementation guidance, and using existing system to monitor progress. The goal is to raise awareness and encourage action, rather than just enforcing rules.**

2. Another Focus Area is Reduce Carbon Footprint with target of 70% absolute emissions reduction for Scope 1 and 2 by 2035 compared to base year 2019. In respect of FY 2024 performance, the Company has achieved emissions reduction by 17% for Scope 1 and Scope 2 compared to base year 2019. (Page 57 of IAR 2024)

Based on the achievement to date, how confident is the Company that it will achieve its target of 70% absolute emissions reduction for Scope 1 and 2 by 2035?

**As of FY2024, AEON has reduced Scope 1 and 2 emissions by 17% compared to the 2019 baseline. While the 70% reduction target by 2035 is ambitious, we are committed to a structured and strategic approach. Ongoing and planned initiatives include:**

- **Expanding the use of renewable energy, including more on-site solar PV systems**
- **Improving energy efficiency in malls and stores**
- **Ensuring all new buildings from 2025 onwards are green-certified**
- **Enhancing monitoring and data accuracy to track and manage emissions better**

**Although there are some financial and capability challenges, we are exploring solutions, building internal readiness, and integrating sustainability into our business strategy. Our current focus is to develop a net-zero decarbonisation roadmap to speed up our greenhouse gas emissions reduction efforts.**

Questions Raised by Shareholders/Proxies and Responses from the Chairman, Mr Okada, Mr Seko, Puan Zaida and Ms Tan

- Regarding requests to give e-voucher to the participants of the 40<sup>th</sup> AGM and the waiver of annual fee for members, the Chairman informed that as a token of appreciation for shareholders, proxies and corporate representatives who attended and voted at the 40<sup>th</sup> AGM, a RM50 e-voucher will be credited into the AEON Member Plus Card or the AEON wallet app. The Chairman added that the Company took note of the suggestion for the waiver of annual fee.
- On the request for the Integrated Annual Report, the Chairman informed that the Company had received the request and a copy had been delivered via ordinary post to the shareholder by the poll administrator.
- With regards to the cost of holding this hybrid AGM, the Chairman informed that the total cost incurred for conducting this hybrid AGM is approximately RM500,000. Ms Tan added that the cost of holding hybrid AGM is not significantly different from the cost of holding only physical AGM.
- With regards to the distribution of door gifts to proxies who might not be shareholders, the Chairman informed that the door gift allotment is in accordance with Section 334 of the Companies Act 2016, which recognises each appointed proxy as an individual participant with the same rights as a member, regardless of shareholding status. This practice aligns with standard procedures recommended by the Share Registrar and complies with corporate governance guidelines.
- On the measures taken by the Board to ensure that the Recurrent Related Party Transactions (“RRPTs”), particularly with AEON Japan and its affiliates, consistently provide optimal value and benefit specifically to the Company's minority shareholders, the Chairman informed that the Board ensures that all related party transactions review process, including the RRPTs with AEON Japan and its affiliates, are conducted at arm's length, in the best interests of the Company, and without prejudice to the interests of minority shareholders. Furthermore, the RRPTs are reviewed on a quarterly basis by the Audit Committee, which consists solely of Independent Non-Executive Directors, as well as by the Board of Directors. This process ensures objectivity, transparency, and compliance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. In addition, benchmarking exercises are conducted where relevant to ensure pricing, terms, and conditions are competitive and in line with prevailing market standards.
- With regards to the benchmarking process adopted for the proposed Directors' fees and benefits payable to the Directors for the period from 23 May 2025 until the conclusion of the next Annual General Meeting of the Company to be held in 2026 and its alignment with the responsibilities undertaken and prevailing market rates, Puan Zaida informed that the proposed fees were determined based on a benchmarking exercise conducted against companies of similar size, industry and complexity. The current pay ratio is within the range of P37.5 percentile of the market, reflecting a competitive and appropriate level of remuneration in line with

the scope of responsibilities, time commitment and fiduciary duties of the Directors. The proposed amount also includes provisions for meeting allowances and other benefits payable to the Non-Executive Directors for the period from 23 May 2025 until the conclusion of the next Annual General Meeting of the Company to be held in 2026. The Board is confident that the proposed fee is fair, in line with the prevailing market rates, and necessary to attract and retain individuals with the required expertise and experience.

- With regards to the formal board evaluation process that support the recommendation for the re-election of all the retiring Directors, Puan Zaida informed that the recommendation is based on the outcomes of the formal board evaluation process conducted by an independent consultant, which was subsequently reviewed by the Nomination and Remuneration Committee (“NRC”). This evaluation assessed each Director’s performance in key areas, including strategic oversight, governance, attendance, active participation, and contribution to board discussions. All Directors proposed for re-election had been assessed and had met performance expectations. The NRC is confident that their re-election will ensure stability, continuity, and sustained value creation for all shareholders.
- On the Company not disclosing remuneration details for the top five senior managers on a named basis due to confidentiality and the balance between confidentiality with shareholders' need for transparency, Puan Zaida informed that the Board acknowledges the importance of transparency and accountability, particularly in aligning senior management remuneration to company performance. The remuneration details of the Company’s top 2 Executives, namely the Managing Director and Deputy Managing Director, had been disclosed under the Practice 8.1 in the Corporate Governance Report. However, the Company did not disclose the remuneration details of the remaining senior management on a named basis in order to remain competitive in talent retention. The Board takes accountability for aligning compensation with performance and market standards and continues to review its disclosure practices in line with evolving governance standards and stakeholder expectations.
- With regards to the Return on Investment (“ROI”) for recently completed renovations, such as AEON Bandar Puchong, Mr Okada informed that specific ROI figures for AEON Bandar Puchong are still being assessed given that it has been reopened for less than a year. However, AEON Melaka and AEON Cheras Selatan, both of which completed their renovation works for more than a year, have experienced double digit increases in sales and customer traffic, which serves as a positive indication of the potential return that the Company can expect from future refurbishment investments.
- With regards to the measures to address high operational costs, especially in underperforming malls or stores, the planned closure or downsizing of stores and automation initiatives, Mr Okada informed that any expansion or closure decisions are made on a case-by-case basis, based on the strategic and operational factors. The business partners and stakeholders had been informed on the planned closure of AEON Mall Klebang on 1 September 2025, after which the Mall will be returned to the landlord. As for the automation initiatives, around 500 self-checkout counters had been installed across AEON stores and this initiative will

continue to be expanded to reduce wait times and enhance the overall shopping experience.

- With regards to tenancy renewals, Mr Okada informed that the standard tenancy agreement of the Company spans three years, with an option to renew for an additional two years. The lease expiries are typically staggered with approximately one third of tenancies coming due for renewal in FY2025. As expiries are not evenly distributed month to month, tenancy renewal rate is monitored more closely toward the latter part of the year. In FY2024, the Company achieved a strong tenancy renewal rate of 96% and recorded a positive rent reversion of +8%. Based on current data, the Company remains on track to achieve similar targets.
- On the ongoing litigation case with Betanaz Properties Sdn Bhd, Mr Okada informed that as the case is currently undergoing the appeal process, the Company is not able to comment on the likely outcome. In terms of financial exposure, the total estimated cost, including interest and legal expenses, had been accounted for in FY2024.
- With regards to the establishment of REIT by the Company, Mr Okada informed that the Company's property management services segment remains a key contributor to both the revenue and profit of the Company and this is expected to continue over the next three to five years. The Company will announce should there be any plan regarding the establishment of a REIT structure.
- On the conversion of AEON Gift Voucher ("AGV") into the AEON Wallet, the Company encourages the use of e-vouchers as part of the digitalisation efforts. The Company understands that some customers may still prefer to use the AGV, but there are no plans to allow the conversion of AGVs into the AEON Wallet app at this point of time.
- With regards to the number of complaints received by the Company in FY2024, the Company had received approximately 6,300 complaints in FY2024. The Company's focused on resolving each complaint promptly and thoroughly, emphasized on proactive follow ups to ensure customers are kept informed and their concerns are fully addressed to their satisfaction.
- Regarding the policy or framework in handling and solve the complaint from the customers, Mr Okada informed that the Company has a structured framework for managing customer complaints through an integrated platform that handles enquiries, complaints, compliments, and suggestions. Each complaint is systematically recorded, reviewed, and addressed.
- With regards to the complaint on the professionalism of the Company's employees, Mr Okada informed that the Company is committed to safeguarding shareholder value and expects all employees and Management to uphold the highest standards of professionalism. Allegations of misconduct are taken seriously and addressed through proper internal procedures.
- With regards to the complaint on the product quality and replenishments, Mr Okada informed that the Company has communicated to the operation teams to

ensure timely product replenishment and continuous quality monitoring.

- On the adoption of Artificial Intelligence (“AI”), Mr Okada informed that the Company has begun adopting AI as part of the digital transformation initiatives, focusing on operational efficiency and data insights where AI is used responsibly, in line with AEON’s values and customers’ trust.
- With regards to the list of top 10 stores of the Company, Ms Tan informed that the Company is unable to disclose the store level revenue and profitability figures due to the commercial sensitivity and confidentiality reasons. Segmental performance information has been provided in accordance with the MFRS requirements and the Company remains committed to providing meaningful and transparent disclosures in Annual Reports and business updates.
- With regards to the revenue contribution for Rocky Basecamp and Petemo in FY2024, Ms Tan informed that the Company is unable to disclose the store level revenue contribution due to the commercial sensitivity and confidentiality reasons. Rocky Basecamp and Petemo are assessed as part of specialty retail portfolio, , contributes approximately 10% of the Company’s total retail revenue.
- On the Company’s share price performance, Ms Tan informed that the share price is influenced by factors such as market dynamics, investor sentiment, economic conditions, and company performance. While these elements can lead to short term fluctuations, the Company remains focused on long term growth and actively engage both local and foreign investors. In FY2024, the Company held over 120 one-on-one and group meetings with institutional investors to promote its stock and build investors’ confidence.
- On the impact of ongoing trade uncertainties to the Company, Ms Tan informed that the Company’s operations are locally based, with around 99% of its procurement being local suppliers. This has helped mitigate the direct impact from global trade tensions so far. The Company remains mindful that such developments might still affect the Company indirectly through rising costs for its suppliers. The Company will continue to manage these risks carefully while maintaining fair pricing for its customers.
- With regards to the dividend policy, Ms Tan informed that while the Company does not have a formal dividend policy, the Company strives to maintain a dividend payout ratio of approximately 50% of net profit, barring any unforeseen circumstances. Regarding the dividend sustainability and growth, the Company is committed to delivering value to its shareholders through clear strategies that balance future capital needs with market conditions.
- On the Company’s strategy to compete with other online shopping platform, Mr Okada informed that the Company had expanded the product assortments in the myAEON2Go platform where the customers can purchase fresh groceries and furniture from the platform.
- With regards to the functionality of the AEON Wallet app, Mr Okada informed that the loyalty points can be viewed in the latest version of the app.

- With regards to the Company providing door gift in the form of AEON Bank Credit instead of e-voucher in the AEON Member Plus Card or the AEON wallet app, Mr Okada informed that the Management would consider the suggestion.
- On the measures taken to mitigate the risk arising from the subsidy rationalisation plan and increase in Sales and Services Tax (“SST”) which would hamper consumer spending, Ms Tan informed that the impact of the increase in SST scope in FY2024 was not significant to the Company’s but unable to comment on the potential impact of the subsidy rationalisation plan to the Company’s business before formal announcement from Government. However, the Company has launched various promotional campaigns to drive sales and offer competitive price to customers.
- With regards to the inability of AEON voucher to be utilised in AEON BiG’s stores, Mr Okada informed that AEON BiG is a separate entity from the Company.
- With regards to insurance coverage for accidents occurring in the Company’s malls, Ms Tan informed that the Company has sufficient insurance coverage to cover the cost impact arising from these accidents.
- Regarding the underwhelming occupancy rate for the AEON BiG Falim and the impact of the closure of AEON Klebang, Mr Okada informed that the Company still has two (2) stores in Ipoh, namely AEON Ipoh Station 18, which had recently completed renovation and AEON Kinta City, which will be expanded, to serve Ipoh community. As for AEON BiG Falim, Mr Okada informed that AEON BiG is a separate entity from the Company and the Company is unable to comment on its store.
- With regards to the possibility of the Company expanding to foreign markets, Mr Okada informed that AEON Group already has presence in other ASEAN countries such as Indonesia, Thailand and Cambodia. Therefore, the Company is only focusing on its Malaysian operations and market.
- On the reduction of waste, Mr Seko informed that measures taken by the Company to reduce waste include repricing items to clear and utilising composite machine to process waste. The Company will continue to explore innovative solutions to manage waste.
- On the estimated capital expenditure of the Company for FY2025 and the impact of renovation to the performance of malls or stores, Ms Tan informed that the capital expenditure for FY2025 is estimated at RM250 million to RM300 million, 25% to 30% of which will be allocated for renovation projects. Ms Tan added that based on past track record, sales and traffic of the mall or store has increased after the completion of renovation.
- With regards to the closure of AEON Klebang, Mr Okada informed that the mall will be close upon the expiry of its lease term. The closure is not expected to have a significant impact on the performance of the Company. The assets and employees of the mall will be reallocated to nearby stores or malls.

- With regards to the initiatives to increase the Company's revenue, Ms Tan informed that the Company is committed in executing strategies to increase the revenue of both the retail and property management services.
- On the Company's strategy to compete with other smaller size retailers, Mr Okada informed that the Company's malls, being a one-stop shopping destination, provides convenience to customers and are able to cater to the needs of an entire family.
- With regards to capital expenditure investment to AEON Living Zone, Ms Tan informed that discussion is still ongoing and more details will be shared at a later stage once they are available.
- With regards to the opening of store in Semenyih, Bandar Seri Coalfields and East Malaysia and opening of new Petemo stores, Mr Okada informed that the Company continues to monitor opportunities for the opening of new stores and will consider them on a case-by-case basis.
- On the closure of AEON Sunway, Mr Okada informed that the closure of the store was due to the expiry of the tenancy in July 2023. The Company had decided not to renew the tenancy as the rezoning plan of the mall did not align with the Company's requirements.
- With regards to the sales contribution of myAEON2go, Ms Tan informed that sales contribution is less than 5% of the total sales of the Company.
- With regards to the renovation of AEON Bukit Raja to upgrade the facilities and refresh the tenant mix to attract customers, Mr Okada informed that the upgrading of infrastructure will be assessed during renovation discussion.
- With regards to the increase in dividend payout ratio, Ms Tan informed that the proposed dividend considers of various financial commitments and factors as well as for reinvestment into the Company.
- On the usage of AMEX card at self-checkout counters, Mr Okada informed that the Company is continuously enhancing the capability of the self-checkout counters and AMEX card is now accepted at these counters.
- On the frequency of AEON Member Days, Mr Okada informed that currently the Company holds "Time Out Day" on the last Saturday of each month to rewards its customers while AEON Member Day has been planned for 2H FY2025. The frequency of these campaigns are mostly tactical. Besides that, the Company has also launched other promotional campaigns to attract customers.