

AEON

AEON
37
TAHUN



Moving Forward

TOGETHER

ANNUAL REPORT 2021



iAEON App

KEY HIGHLIGHTS

OUR STRENGTH As at 31 March 2022

AEON PEOPLE

11,003

TENANT PARTNERS

2,903

TOTAL OUTLETS IN MALAYSIA

182

SUPPLIERS AND BUSINESS PARTNERS

2,519

AEON MALL

28

AEON STORE

34

AEON MAXVALU

9

AEON WELLNESS

65

DAISO

42

KOMAI-SO

4

AEON MEMBER PLUS MEMBERSHIPS

2.2 MILLION

PROFIT AFTER TAX

RM85.3 MILLION

Ranked Malaysia's **Top 10 Brands** for Customer Experience Excellence by KPMG's Global Customer Experience Excellence 2021 Report.

AEON MALL NET LETTABLE AREA (NLA)

13.4 MILLION SQ FT



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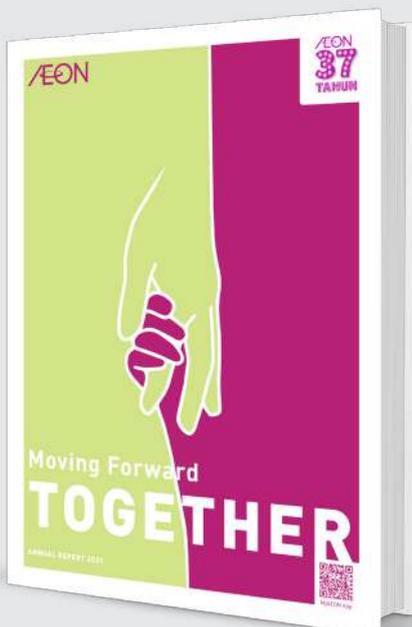
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COVER RATIONALE

Moving Forward Together

AEON People humbly believe that we can accomplish more together. The heaviest of tasks can be lightened and the most difficult of times eased when there is a merger of hearts. This drives our aspiration to move forward together with our stakeholders, hand-in-hand, strengthening our commitment to creating sustainable communities that will stand the test of time.

In continuing with our journey of becoming nature positive, AEON remains committed to creating higher environmental awareness and further promoting the importance of protecting the environment for our future generations.

Through our sustainability initiative for the nation, AEON Sayap Bagimu, we are Moving Forward Together with our ecosystems, by supporting one another to spread our wings in creating better tomorrows as we progress into the future.



Planting Seeds of Growth

We are AEON



Scan the QR code to get AEON's Annual Report 2021 online in PDF format.

CUSTOMER PERSONAS

AEON understands that every customer is unique, and each of them has different needs, motivations and challenges. Today, we are evolving beyond just providing goods and services. We want to engage in more meaningful conversations and deliver delightful experiences personalised to our customers through our AEON ecosystem.

With that intention in mind, we created Customer Personas – our very own playbook, a guide and a map that will help us navigate the complexities of meeting our customer needs, taking into account the evolving preferences of a rapidly developing and maturing society.

Underpinning our Customer Personas approach is the concept of customer-centricity, which calls on the provider of services or products such as ourselves to put customer needs at the core, and to rapidly test and generate new ideas for products, services and processes to directly serve our customers.

In ensuring we have captured a relatively robust representation of our customers, we have analysed our customers and Malaysian demographics, resulting in the creation of 7 Customer Personas, each with distinct needs, characteristics, aspirations and emotive hooks. This has provided us with rich insights, data and knowledge that is being translated into more accurate and impactful strategies to help us drive our business while meeting our customer's needs.

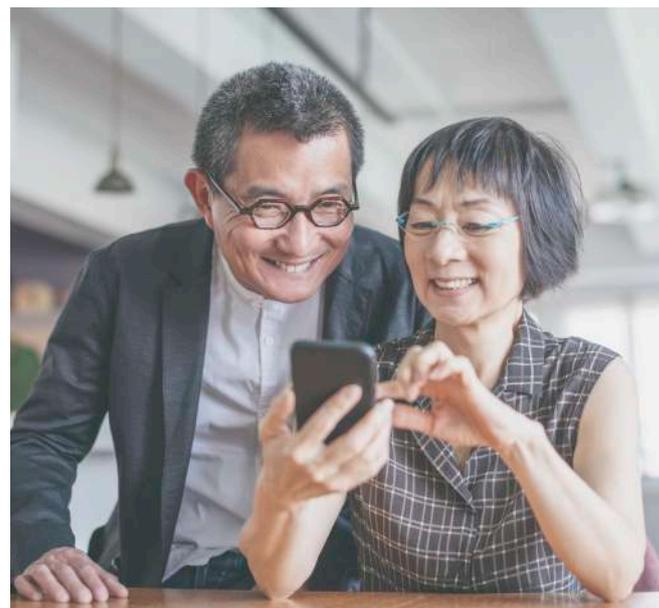
We have also discovered that these personas are interlinked through family ties, friendships, and community interactions. This provides opportunities for us to market AEON's products and services to more than just one persona through word of mouth, shared interests and placemaking activities.

The following are the 7 Customer Personas that we have identified to have a common language in the organisation. Having Customer Personas ensures that we deliver better sales, marketing, products, experiences, and services according to the right demographical and persona needs throughout their various life stages to bring to life our focus of Demand Chain Driven, Sniping and Personalisation, and Transparency.

** These images are for illustrative purposes only.*

The Personas we have identified are:

University Students ▶
'Woke' generation, future leaders, speak about Sustainability and Technology.



▲ **Middle Class Working Professionals**
Well educated hardworking professionals with family, quality and education as priorities.

▶ **Senior Citizens/ Retirees**
Independent Boomer generation and AEON loyalists.

▼ **Experience Generation**
Gen-Y working professionals, newlyweds and young families.





◀ **Affluent Individuals**
With high social standing in society.



Malaysian Families
Typical Malaysian households.



◀ **Entrepreneurs**
Business owners and creative problem solvers.

About This Report

REPORTING GUIDELINES AND STANDARDS

This is AEON CO. (M) BHD.'s (AEON or the Company) Annual Report 2021. This report is a review of the Company's value creation efforts and we have strived to present a comprehensive and transparent account of our strategic progress set against the challenges, opportunities and risks we have identified. In addition, we have presented a holistic overview of our non-financial performance reported against Economic, Environmental and Social indicators, which is elaborated further in our Sustainability Statement.

Throughout the preparation of this report, we have been guided by best practices as prescribed by the following statutory bodies:

- Malaysian Code on Corporate Governance 2021 (MCCG 2021)
- Bursa Malaysia Securities Berhad's (Bursa Securities) Main Market Listing Requirements (MMLR)
- Bursa Malaysia's Corporate Governance Guide 4th edition
- Companies Act 2016
- Malaysian Financial Reporting Standards
- International Financial Reporting Standards and other regulatory requirements as applicable
- International Integrated Reporting Framework (<IR> Framework)

In the area of sustainability, this report contains a Sustainability Statement that we have developed in line with key sustainability reporting guidelines such as Bursa Malaysia's Sustainability Reporting Guide 2nd Edition. The sustainability statement has also been prepared with reference to the Global Reporting Initiative (GRI) Standards, and the GRI Content Index can be found on our corporate website at <https://aeongroupmalaysia.com>.

SCOPE AND BOUNDARIES

AEON is publicly listed on the Main Market of Bursa Malaysia Securities Berhad. This report covers our principal business activities in Malaysia, during the period 1 January 2021 to 31 December 2021. The scope of the Sustainability Statement covers AEON's most pertinent sustainability-related projects, initiatives and activities in the Financial Year 2021 (FY2021).

FORWARD-LOOKING STATEMENTS

Forward looking statements should be read with a degree of caution as they are reliant on various events, risks, uncertainties and other factors beyond our control. These statements can be identified through the use of key words such as 'believes', 'intend', 'will', 'plans', 'outlook' and other similar words in conjunction with discussions on future operating or financial performance. Such statements are not to be taken as implicit or explicit guarantee of our future performance.

FEEDBACK

We welcome feedback on our Annual Report 2021. Please contact:

Corporate Communications Department
AEON CO. (M) BHD.
AEON Home Ground
3rd Floor, AEON Taman Maluri Shopping Centre
Jalan Jejaka, Taman Maluri
Cheras, 55100 Kuala Lumpur

Email: CorpComms@aeonretail.com.my

NAVIGATING THIS REPORT

Our Capitals

-  Financial
-  Human
-  Operational
-  Natural
-  Social and Relationship

Stakeholders

-  Employees
-  Customers
-  Government and Regulators
-  Investors and Shareholders
-  Community
-  Suppliers
-  Media
-  Industry

What We Offer



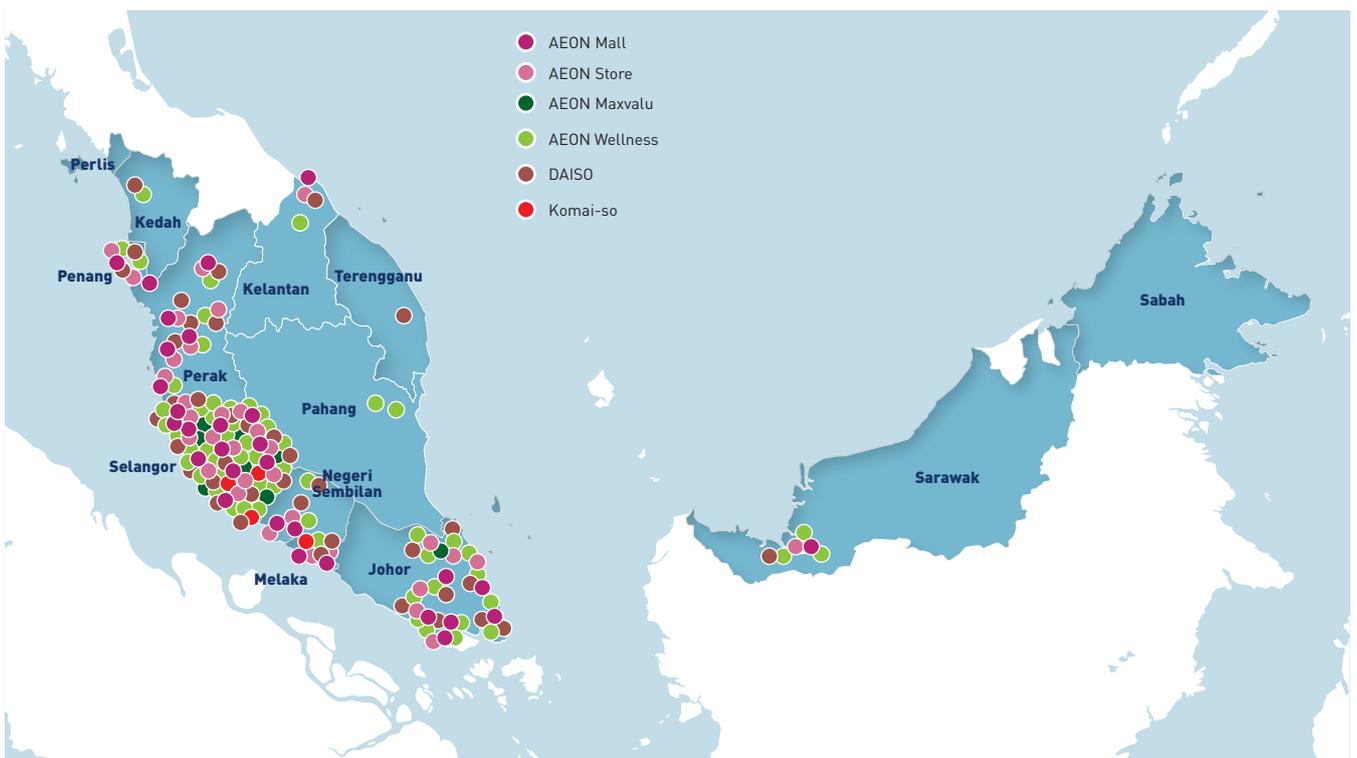
INTRODUCTION

AEON is part of the AEON group of companies in Malaysia which is 51.7% owned by an integrated holding company based in Japan, AEON Co., Ltd., which employs approximately 570,000 AEON People and operates in 14 countries worldwide.

AEON was incorporated in Malaysia on 15 September 1984 in response to the Malaysian Government's invitation to help modernise the country's retail industry. Currently, it manages and operates a retail chain of departmental stores, supermarkets and pharmacies with an extensive range of products such as daily essentials, household items, apparel, pharmaceuticals, flat-price shops and other merchandise. AEON also offers a Personal Shopper Service, Drive-Thru Service and Delivery Service via myAEON2go e-commerce platform for a fast, efficient, safe and low-contact shopping in our effort to seamlessly adopt Online-Merge-Offline (OMO).

AEON's chain of stores strive to satisfy the ever-changing needs and desires of our customers. Guided by our 'Customer First' philosophy and the Company's intimate understanding of the target market's needs, we endeavour to provide an optimal product mix that surpasses customer expectations and enhances their experience every time they shop at AEON.

OUR PRESENCE



What We Offer



AEON MALL

AEON Mall is the preferred shopping destination among Malaysians from all walks of life. It offers different attractions featuring local and international brands with a unique product mix to cater to everyone's needs under one roof. Being the pulse point for the surrounding community, AEON Mall is primarily visited for shopping, as well as for relaxation, social gatherings, green spaces, F&B, fun and entertainment. Oftentimes, the renowned festive sales at AEON Mall create enormous attraction and increased footfall for greater bargains.

Being one of Malaysia's largest mall operators, there are 28 AEON Malls nationwide with supermarkets, fashion boutiques, pharmacies, household items, bistros and cafes, cinemas, accessories, deco and gifts shops and many more for AEON customers to explore.

AEON Mall also offers many exciting retail opportunities with a total of 13.4 million sq ft net lettable area. In the spirit of the name AEON, which means eternity in Latin, AEON's goal is to work together endlessly with its customers, business partners and the community to create a future of limitless possibilities.

AEON Mall offers retail spaces at affordable rates, including push carts and kiosks, to those who are keen to become AEON's tenant partners.

Multi-scheme rental rates are available in our continuous effort to support tenant partners to grow their businesses together with us. In line with the Government's aspiration to develop SMEs, we have embarked on various initiatives in collaboration with ministries, local authorities and state agencies such as the Ministry of Domestic Trade and Consumer Affairs (KPDHNEP), Lembaga Pemasaran Pertanian Persekutuan (FAMA), Majlis Amanah Rakyat (MARA), etc.

AEON Mall provides Market Place, a digital platform that is part of the iAEON App, providing business opportunities to our Tenant Partners and business operators located within our areas of operation. This platform enhances their online presence and enables them to adopt Online-Merge-Offline (OMO) seamlessly.

For improved business operations, the e-Tenant Portal is made available to all tenant partners as the business automation solution catering to the management of billings, data analysis, feedback and inventories.

Strategic advertisement spaces are also available at AEON Malls for tenant partners to leverage in enhancing their brand presence.

What We Offer



AEON STORE

AEON Store comprises the **General Merchandise Store (GMS)** and **Supermarket** sections that have something for every customer at every time. In essence, it serves as a one-stop destination for urban and suburban households to meet their daily needs. From fresh vegetables brought straight from local vegetable farmers to freshly prepared ready-to-eat meals and a wide range of goods and services which includes Softline and Hardline, they are all being offered at reasonable prices inspired by sustainable living. All the 34 AEON Stores nationwide aim at delivering a complete lifestyle value proposition for our customers amidst a convenient and conducive shopping environment.

AEON Store presents various reputable in-house fashion brands in meeting customers' needs, namely **TopValu, Puteri, Scarlet, Scarlet Plus, Crème, Suave, JKids, Inner Casual, Home Cordy, Arcadia, Agenda, Zakka Living** and **Guy Vision**.



The **Delicatessen** at AEON Store caters to the growing demand for ready-to-eat meals, offering a wide range of speciality food choices from sushi, bento, roasted chicken, desserts, hot snacks, healthy drinks and many more. The dishes served at the Delicatessen are certified halal and are freshly prepared on an hourly and daily basis. The Delicatessen aims to be the destination of choice for those looking for quality and affordable family outings.



The halal certified **La Bohème** at AEON Store offers an array of oven-fresh breads and bakery-related products including pastries and puddings. Customers can be assured of tasty and good-quality products served daily in a cosy setting.



The **Coco Café** is a kopitiam-like eating place with a warm ambience at AEON Store that caters to customers who would like to savour light meals such as toasted bread, half-boiled or poached eggs, Nasi Lemak and hot drinks.

What We Offer



AEON MAXVALU

AEON Maxvalu outlets are located in densely populated neighbourhoods for customers' daily shopping convenience, making it a breezy and pleasant experience for everyone. Downscaled in built-up area, it reflects on the concept of providing maximum value in terms of an extensive range of premium fresh produce and quality goods with value for money, anchored on providing special attention to all customers.

Selected AEON Maxvalu outlets also offer a variety of general merchandise items such as apparel, household goods and electrical appliances at reasonable prices. Since the first outlet was established in 2005, AEON Maxvalu has now expanded to nine outlets offering personalised and friendly services.



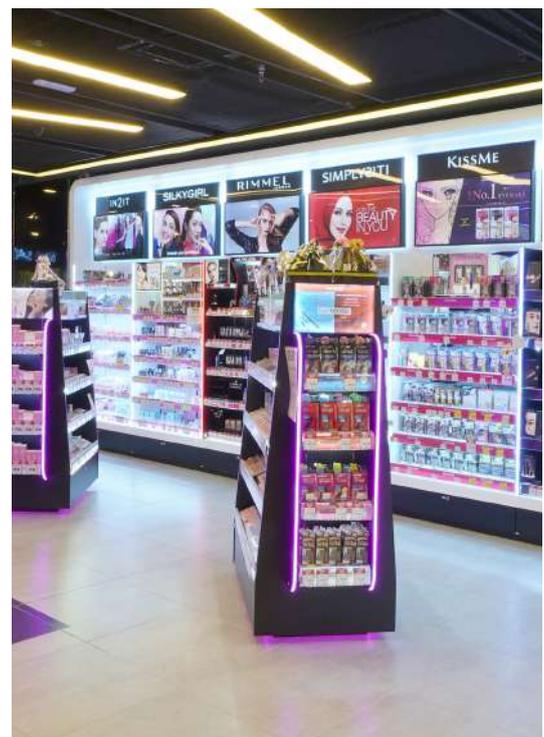
We Care For Your Tomorrow

AEON WELLNESS

AEON Wellness is a go-to destination for all things related to well-being and healthy living, beauty care and personal hygiene. Focusing on three elements – wellness and healthcare; trusted halal beauty products; and quality Japanese products catering to a niche segment, AEON Wellness has evolved into an all-inclusive pharmacy chain, offering an extensive selection of products and professional consultation services. Its dedicated team of in-store pharmacists and beauty advisors are on hand to cater to customers' growing awareness about the importance of health and beauty.

AEON Wellness also offers skin analysis and health checks, smoking cessation services and uric acid, lipid profile and glucose tests, as well as diet and supplement advice for the management of the three highs (high blood pressure, high cholesterol and high glucose level). These services are available at selected outlets only.

Other than in-store purchases and online transactions via myAEON.com.my and myAEON2go.com (Health and Wellness category), AEON Wellness also provides Personal Shopper, Pickup and AEON Rider Home Delivery services. First established in 2006, AEON Wellness has since expanded to over 65 outlets nationwide and remains committed in every way to providing the best services and product offerings in ensuring customers' satisfaction.



What We Offer

DAISO

DAISO

DAISO by AEON opened its first outlet in Malaysia in 2010 at AEON Mall Bandaraya Melaka. It is a flat-price one-stop shopping destination offering an extensive inventory of products across multiple categories. DAISO's products are known for their affordability, quality, variety and uniqueness and include household and living, kitchen, gardening, cosmetics, stationery, decorative items and many more.

Every outlet features over 8,000 fascinating offerings in meeting its promise to continuously provide customers with fresh new ideas each time they shop at DAISO. Customers also have the option to make their purchases online or via the order and pickup service available at all 42 DAISO outlets nationwide.



Komai-so

コマイ.ソー

KOMAI-SO

Komai-so first opened its doors to the public in September 2021 and now has four outlets operating in AEON Mall Bandaraya Melaka, AEON Taman Maluri Shopping Centre, AEON Mall Metro Prima and AEON Mall Cheras Selatan. With the tagline 'Little Happiness in Life', Komai-so is a digital, cashless Japan-inspired lifestyle store infused with Malaysian tastes. It is the first digital flat-price store in the country that offers three price options for all items: RM2.50, RM5.00 and RM10.00. Komai-so prioritises five essential categories as its product pillars, namely, Snack (Umai-so), Cooking and Baking (Kaori-so), Passion (Genki-so), Celebration (Tanoshii-so) and Lifestyle (Kurashi-so).

At Komai-so, customers can enjoy a new shopping experience in shopping for snacks and home fashion, beauty and fragrance and gift items through digitalisation, where they only need to scan the iAEON App on their mobile phones and pay online. The Scan and Go facility at Komai-so eliminates the need to deal with queues and cashier counters. Komai-so is definitely a quick, new and easy way to shop.

What We Offer



myAEON2go

AEON'S E-COMMERCE PLATFORM

Our e-commerce platform, myAEON2go is about giving customers easy access to AEON's wide assortment of products to cater to their needs under one roof at their fingertips. It is aligned with our digital transformation as part of the New Retail business model that aims to seamlessly adopt Online-Merge-Offline (OMO). Customers are given the choice for a hassle-free shopping experience from the comfort and safety of their homes where items are specially handpicked upon order. This digital platform is ideal for meeting today's ever-evolving consumer habits, as well as for providing enhanced customer service while creating new job opportunities in helping to stimulate economic growth.

Many exciting and exclusive promotions are offered to encourage purchases via myAEON2go, including free delivery for orders placed of a certain value, special discount, etc., to promote the platform to new users and encourage registration and the use of the app. Customers can be rest assured that they can receive their orders via delivery on the same day or select a time that is most convenient to them. Updates on myAEON2go special promotions can be obtained via customers' registered emails or AEON's social media platforms.

What We Offer



AEON MAKAN

AEON introduced AEON Makan, a one-stop online food-ordering platform, in February 2021 for AEON customers to enjoy a variety of delightful menu items, comprising popular local delicacies, snacks, western and fusion dishes, through a fast and efficient delivery service. From the convenience of their homes, customers can easily make online food orders through the platform.

AEON Makan offers expediency, affordability and time savings, as well as increased sales opportunities for F&B tenant partners and food operators located within the vicinity of AEON Malls.

This digital platform improves our online presence as well as that of our F&B tenant partners and SMEs doing business within our areas of operation.

Under AEON Makan, an initiative called AEON Prihatin was also developed to support food operators located within a five km radius of AEON Malls.

PERSONAL SHOPPER, DRIVE-THRU AND DELIVERY SERVICE

The pandemic was the catalyst for us to improve our customer service to uphold AEON's 'Customer First' principle. We always prioritise the health and safety of our customers; thus, the Personal Shopper, Drive-Thru and Delivery Service programmes were established to help our customers to feel at ease and in control of their environment while shopping.

The Personal Shopper service assists customers to purchase their preferred items by sharing the list of items with our personal shoppers. Customers will be informed once the items ordered are ready for collection and payments are to be made at the cashier counters.

The Drive-Thru service is as easy and as convenient as the Personal Shopper service. Orders can be made by the customers via WhatsApp to the personnel and their preferred AEON Store. Once the ordered items are ready, customers may choose to collect their orders via Drive-Thru or walk-in.

The Delivery Service provides conveyance support for the orders placed by our customers through the e-commerce platform, myAEON2go. Our AEON People will deliver the groceries from our stores right to your doorstep as we endeavour to send freshness to our customers with same-day deliveries.



27 January

AEON signed an agreement with Boxed, an e-commerce Company based in New York, US, to leverage its technology to accelerate AEON's digitalisation expansion and New Retail offering as part of the transformation journey.

10 March

A sustainability initiative for the nation, AEON Sayap Bagimu, was internally launched.

14 April

AEON and Malakoff Radiance Sdn. Bhd. (Malakoff) signed a Solar Power Purchase Agreement (SPPA) for the development and usage of a solar energy system at AEON Taman Maluri Shopping Centre. Malakoff will develop, operate and maintain a solar photovoltaic (PV) facility for AEON Taman Maluri Shopping Centre, Kuala Lumpur.

16 July

AEON presented a contribution of RM4 million on behalf of AEON Co., Ltd. (Japan) to the Government of Malaysia in Putrajaya, in support of the Government's efforts to alleviate the burden of the people affected by the COVID-19 pandemic through the 'Bakul Prihatin Negara' programme.

3 August

AEON and the Malaysian Communications and Multimedia Commission launched PUPUK@AEON, a collaborative initiative to empower micro entrepreneurs nationwide. This is a digitalisation initiative under the People's Protection and Economic Rehabilitation Package (PEMULIH) to help those affected by the COVID-19 pandemic.

2 September

AEON Taman Maluri Shopping Centre, Kuala Lumpur and its ecosystem was the first AEON outlet to be fully vaccinated.

15 September

The AEON Sayap Bagimu - Tablet Programme was virtually launched and officiated by Datuk Dr. Mohd. Radzi Md. Jidin, Senior Minister, Ministry of Education.

24 September

The AEON x Tupperware customer loyalty programme was launched, offering customers the opportunity to own attractive eco-friendly products, as part of AEON's effort to integrate environmental sustainability into our core business activities and continue promoting green living.

Our Milestones In 2021

Our Milestones In 2021

19 November

Komai-so opened its third outlet at AEON Mall Metro Prima, Kuala Lumpur.

18 November

Commencement of AEON Alpha Angle's renovation and enhancement project.

29 October

Komai-so opened its second outlet at AEON Taman Maluri Shopping Centre, Kuala Lumpur.

20 October

AEON leadership and employees expressed the commitment to be free of corruption at the Declaration and Signing of the Corruption-Free Pledge (IBR) at a hybrid ceremony organised in collaboration with the Malaysian Anti-Corruption Commission (MACC) at AEON Home Ground in AEON Taman Maluri Shopping Centre, Kuala Lumpur.

18 October

A 22-episode television comedy series produced as part of the AEON Sayap Bagimu initiative titled 'Bagaimana Kalau' made its airtime debut on 18 October on TV3. Aired every Monday and Tuesday at 9.30 pm, it was supported by renowned local celebrities illustrating how AEON played its role in people's daily lives. The series creatively highlighted inspirational and motivating messages to the viewers.

9 October

A television talk show produced as part of the AEON Sayap Bagimu initiative titled 'AEON Raikan' made its airtime debut on 9 October 2021 on TV3 with subsequent shows aired on 16, 23 and 30 October. The four-episode series featured inspirational stories and the celebrations of hope in the face of pandemic challenges and the new normal.

30 September

Komai-so opened its first outlet at AEON Mall Bandaraya Melaka, Melaka.

7 October

AEON celebrated its 37th anniversary, themed AEON Sayap Bagimu, at AEON Mall AU2, Kuala Lumpur, which was virtually graced by YABhg. Tun Dr. Mahathir Mohamad, 4th and 7th Prime Minister of Malaysia.

8 October

DAISO launched its 42nd outlet at Tropicana Gardens Mall, Petaling Jaya, Selangor.



Awards And Accolades

16 April 2021
The Malaysian Book of Records



AEON was recognised by The Malaysian Book of Records as the nation's record holder for organising the 'Largest Participation in a Virtual Zumba Event'. Themed 'One Zumba, One Move, One Kita', it was joined by 1,943 participants via Zoom.



14 June 2021
'Most Committed Blood Donation Campaign Organiser' (Crystal Award) from Ministry of Health

As a result of our persistence and dedication in our annual initiative, AEON received a recognition from the Ministry of Health (MOH) as the 'Most Committed Blood Donation Campaign Organiser' (Crystal Award) in conjunction with World Blood Donor Day 2021, National Level.



25 November 2021
World Branding Award 2021/2022

AEON was named Brand of the Year by the World Branding Awards for the second consecutive year when it was chosen again as the winner of the Brand of The Year Award 2021/2022 in the Retailer-Departmental Stores Category (Malaysia).

4 December 2021
'Most Caring Employer' (Most Hired Employees Category) from the Ministry of Human Resources in Collaboration with Pertubuhan Keselamatan Sosial (PERKESO)

AEON received the award for 'Most Caring Employer' in the Most Hired Employees Category at the Setiawangsa Community Centre in Kuala Lumpur, in conjunction with the 'My Future Jobs' Malaysian Family Carnival programme.

14 December 2021
'Certificate of Appreciation of the Disabled Career Carnival' from the Ministry of Human Resources in collaboration with Pertubuhan Keselamatan Sosial (PERKESO)

AEON was presented a Certificate of Appreciation in recognition of its continuous efforts in providing job opportunities to differently abled persons. It was presented at the Dewan Tun Dr. Ismail at the World Trade Centre, Kuala Lumpur on 14 December 2021 in conjunction with the Career Carnival for the Disabled.

Awards And Accolades

31 August 2021

The Malaysian Book of Records

AEON was recognised by The Malaysian Book of Records as for 'The Most Number of Outlets Participating in National Anthem Singing Simultaneously' involving 28 AEON Malls, 34 AEON Stores, 9 AEON Maxvalu, 65 AEON Wellness, 42 DAISO and 21 AEON BiG nationwide.



23 November 2021

Certificate of Appreciation 'Karnival Kerjaya and Usahawan Wanita' from Ministry of Women, Family and Community Development

AEON was presented with a Certificate of Appreciation for its contribution and support of 'Karnival Kerjaya dan Usahawan Wanita' held at AEON Taman Maluri Shopping Centre, Kuala Lumpur.



24 November 2021

Awards at the 'Pertandingan Anugerah Pasar Bersih dan Selamat 2020/2021' from Ministry of Health

AEON Klebang in Ipoh, Perak and AEON Queensbay Mall in Bayan Lepas, Penang were awarded second and third place, respectively, at the 'Pertandingan Anugerah Pasar Bersih dan Selamat 2020/2021' in the 'Pasar Swasta' Category, organised by the MOH.



27 January 2022

Customer Experience Excellence 2021

AEON was ranked among Malaysia's Top 10 Brands for Customer Experience Excellence 2021 by KPMG's Global Customer Experience Excellence 2021 Report.



29 January 2022

Putra Brand Awards

AEON received the Gold Award in the Retail Category at the Prestigious Putra Brand Awards 2021. AEON was chosen by Malaysian consumers as the Nation's Preferred Retail Brand for the 10th year in a row in the same category since its inception in 2010.





Views From The Chairman

Dear Shareholders,

On behalf of the Board of Directors (Board) of AEON CO. (M) BHD. (AEON or the Company), it is my honour to present our annual report and audited financial statements for the financial year ended 31 December 2021 (FY2021).

At AEON, we stand guided by our strategic business approaches of Agile, Genba and Entrepreneurial and through this, we have made steady progress on a number of exciting business initiatives.

DATUK ISKANDAR SARUDIN
Chairman



Much of what we have achieved will enable AEON to become fundamentally stronger, more resilient and thus, future-ready. Concurrently, we were cognisant of the disruptions caused by the pandemic and strived to provide a helping hand whenever we could to support our employees (AEON People), tenant partners and communities.

NAVIGATING ANOTHER YEAR OF UNCERTAINTY

The retail sector experienced a relatively strong first half in FY2021 following a recovery in consumer sentiment after the pandemic-induced lockdowns of FY2020. However, a resurgence of cases in June 2021 quickly led to the reinstatement of lockdowns, which impacted our operations and led to a contraction in our revenue.

Nonetheless, momentum returned to the economy as the Government's rapid roll-out of the National COVID-19 Immunisation Programme took effect and the implementation of the National Recovery Plan enabled the phased easing of movement restrictions. By October, movement restrictions had been eased nationwide, thus allowing a more sustained economic recovery to take place.

REVENUE

FY2021

RM3.6 billion

FY2020: RM4.1 billion

PROFIT AFTER TAX

FY2021

RM85.3 million

FY2020: RM41.4 million

DIVIDEND PER SHARE

FY2021

3.0 sen

FY2020: 1.5 sen

DIVIDEND PAYOUT RATIO

FY2021

49.4%

FY2020: 50.8%

Views From The Chairman

Throughout this time, AEON remained agile and proactive in adapting to the disruptions. We endeavoured to capture the opportunities present in the new normal in tandem with the evolution of our customers. For instance, the shift towards the New Retail business model powered by innovative technology provides a strong foundation for the Company to remain profitable and sustainable, both now and into the future.

While we recorded a contraction in our revenue during FY2021, our concerted efforts to continuously control and improve our cost efficiencies across the organisation proved successful in enabling us to increase our profitability and deliver value to our stakeholders.

ALWAYS EVOLVING, ALWAYS AHEAD

Over the past two years, the pace of digital adoption has accelerated rapidly as the pandemic-induced lockdowns disrupted traditional methods of sales and distribution. What made this rapid adoption possible was that it was driven by both supply and demand, with businesses shifting online to give customers the option to shop safely and the customers themselves being far more open to obtaining goods and services online.

This impact has been keenly felt, especially by retail businesses like AEON, which primarily rely on strong footfall and physical sales. In line with the changing consumer landscape, we have evolved with the times and in the year under review, we saw consistent sales growth on our myAEON2go online platform, which was soft-launched in August 2021.

The backdrop of greater and more sustainable digital adoption, as well as our ambition to provide ease and convenience to customers, is what drives our New Retail business model and the ongoing renovations of AEON Alpha Angle, which will serve as the showcase of our Online-Merge-Offline (OMO) approach. Upon completion of the renovation, AEON Alpha Angle will be our pilot store to feature the concept of Inclusive, Digital and Experiential @AEON (IDEA).

The transformation at AEON Alpha Angle will bring the IDEA concept to life, providing a seamless and immersive shopping experience for all visitors, coupled with sustainability initiatives such as vertical farming, recycling, integrated waste management, electric vehicle charging

stations and much more. It will also emphasise inclusivity by providing for the needs of all generations and adopting an open-loop ecosystem that makes it easier for local businesses to join the AEON family. The evolution will also include the installation of solar power panels, which will make AEON Alpha Angle the second AEON outlet to utilise solar power after AEON Taman Maluri Shopping Centre, Kuala Lumpur.

DELIVERING VALUE TO OUR SHAREHOLDERS

In view of the improvement in overall profitability achieved despite the challenging operating dynamics, we are pleased to reward our shareholders for their continued support. The Board has recommended a final dividend of 3.0 sen per share (FY2020: 1.5 sen per share), which is equivalent to RM42.1 million or a payout ratio of 49.4%, subject to the approval of shareholders.

Dividends	2017	2018	2019	2020	2021
Net dividend (RM'000)	56,160	56,160	56,160	21,060	42,120
Net dividend per share (sen)	4.00	4.00	4.00	1.50	3.00
Payout ratio (%)	53.5	53.4	51.4	50.8	49.4

EMBEDDING SUSTAINABILITY IN OUR PRACTICES

AEON remains committed to enhancing the sustainability practices that we have aligned with the overarching principles of People, Peace and Community. In continuing with our journey to become nature positive, AEON has endeavoured to integrate sustainability into our core business activities. We are also making progress in integrating the United Nations Sustainable Development Goals (SDGs) into our business strategy and in the year under review, we adopted three more of the SDGs, bringing the total number of SDGs we support to nine. Our business units will work on incorporating the objectives of these various SDGs into respective business strategies and operational processes where possible.

Adopted United Nations SDGs



Views From The Chairman

While setting goals and implementing monitoring mechanisms are important to ensure the effective execution of our sustainability efforts, AEON has continued to double down on its ongoing commitments and devoted significant resources in FY2021 to support our communities and AEON People during what was a challenging time for them. AEON Taman Maluri Shopping Centre is the first of our outlets to be installed with the photovoltaic renewable solar energy panels on the rooftops of the mall. The installation work for photovoltaic renewable solar energy panels is currently ongoing at AEON Alpha Angle, the second outlet to utilise renewable energy.

LENDING SUPPORT TO THE COMMUNITY

In these difficult times, we remain cognisant of our responsibility as a corporate citizen to provide support to those who need it most. To provide a strong platform and framework to help us support our stakeholders, we launched one of our most significant sustainability initiatives for the nation, AEON Sayap Bagimu in FY2021, in conjunction with our 37th anniversary.

The AEON Sayap Bagimu initiative reflects AEON's aspiration to inculcate the spirit of supporting each other within the community so that we can all rise together to create a better tomorrow. The objective of AEON Sayap Bagimu is to provide opportunities, encouragement and support to stakeholders, especially to those in need, via the two main thrusts of Development and Collaboration. These thrusts encompass a wide variety of social and sustainable development programmes to promote and empower progress and upscaling among our stakeholders, within the categories of Education, Community, Micro, Small and Medium Enterprises (MSMEs), Creative Communications and many more.

For more information about our AEON Sayap Bagimu initiatives, please turn to page 63 of our Sustainability Statement.

RECOGNISING OUR HUMAN CAPITAL

AEON recognises the importance of its workforce as both the heart and the engine that drives our organisation. To this end, safeguarding the welfare and livelihoods of AEON People is paramount and is why we implemented a minimum wage increase in January 2022. Moreover, it is in line with our AEON Sayap Bagimu sustainability initiative and supports the United Nations' SDG 8 – Decent Work and Economic Growth and SDG 10 – Reduced Inequalities.

We also nurture our human capital through various continuous education programmes such as skills-based training, leadership and talent development programmes. These are paired with a comprehensive talent management programme to create profiles of all staff members to identify individuals who meet the criteria for management roles, with the overall objective of developing a strong pipeline of talent for all roles, especially critical management positions.

ENSURING GOOD CORPORATE GOVERNANCE

In line with recent updates to the Malaysian Code on Corporate Governance 2021 (MCCG 2021), we are on track to make the necessary policy amendments to ensure we comply with all guidelines and regulations. In the context of diversity, we have complied with the 30% guideline for female representation among our senior management team and expect to achieve similar levels of female representation among our Directors by 2023.

We continued to make progress towards enhancing our integration of Environmental, Social and Governance risks into our long-term strategy and are currently focused on incorporating the Company's Enterprise Risk Management (ERM), Business Continuity Management (BCM) and Anti-Bribery and Corruption (ABAC) practices into one governance model that aligns effectively with the Company's transformation and organisational restructuring initiatives.



Views From The Chairman



OUTLOOK AND PROSPECTS

With economic activities returning to full steam in FY2022, we anticipate consumer confidence to gradually begin increasing and consumer consumption to improve accordingly, although there remains some downside risk from the lingering pandemic. However, the Government's assurance that lockdowns will no longer be utilised to deal with the pandemic and the reopening of Malaysia's borders by 1 April 2022 bodes well for the country's overall economic recovery.

Pandemic-related developments notwithstanding, we are committed to accelerating the growth of our New Retail ecosystem that seamlessly integrates the OMO experience for both our customers and our tenant partners. We believe that our New Retail business model will help the Company in overcoming the challenges that lie ahead.

Moving forward, we plan to improve on our sustainability disclosures and set appropriate milestones and targets to achieve our desired outcomes while monitoring the outcomes of the various initiatives we undertake within each SDG to improve our performance going forward.

ACKNOWLEDGEMENTS

In facing yet another year filled with challenges and change, the Board wishes to extend its gratitude to AEON People, whose contributions remain the core of our continued resilience and progress, as well as the management of AEON, whose dedication and diligence have once again enabled the Company to stay financially robust.

I would also like to take this opportunity to thank my fellow Board members for their wise counsel and exemplary service to the Company, and especially for their contributions on the various Board Committees.

We also extend our deepest gratitude to all of our valued stakeholders, including our customers, shareholders, suppliers and business partners, tenant partners, financiers, Government authorities and statutory bodies for their continuous support and faith in the Company.

As we continue to bravely face challenges that may arise, let us stand together as #OneAEON to help the Company fulfil its potential and continue to grow stronger, more resilient and ever more sustainable into the foreseeable future.

Datuk Iskandar Sarudin

Chairman

Managing Director/Chief Executive Officer's Statement

Dear Shareholders,

Amidst what has been a challenging year, AEON has remained resolute in our goal of creating value, and most importantly, in sharing it with all our stakeholders.

I am humbled to report that besides delivering higher profits, we made headway in improving operational efficiencies, closely engaged with our customers and accelerated our sustainability efforts in line with our aspiration to grow together with our stakeholders.

SHAFIE SHAMSUDDIN

Managing Director/Chief Executive Officer

OUR OPERATING ENVIRONMENT

AEON's operating environment going into FY2021 was mostly positive as it appeared that the spread of the COVID-19 pandemic was slowing, further bolstered by the prospects of vaccinations being rolled out within the first quarter of the year. For AEON, most indicators showed this as well, as we recorded profits in the first and second quarter of FY2021, following a profitable second half in 2020. However, our revenues were affected in the third quarter due to lockdowns imposed as a result of a resurgence of COVID-19 cases due to the Delta variant.

During this time, the Government responded with a significant ramping-up of the country's National COVID-19 Immunisation Programme. The National Recovery Plan was also introduced, which permitted states within Malaysia to resume economic activities depending on the severity of the pandemic in the respective states. This essentially mitigated the economic impact as the lockdowns were not as broad-based and restrictive as those in FY2020. By the fourth quarter of FY2021, the economy was effectively fully reopened with inter-state travel also being permitted. As a result of the increase in economic activity, we also produced a strong recovery in the fourth quarter of FY2021 and delivered a respectable full-year performance, more than doubling our profit despite lower revenue.

FINANCIAL REVIEW

In the year under review, the Company recorded improvement in Profit After Tax (PAT), which more than doubled to RM85.3 million from RM41.4 million as a result of better margins, derived from improved purchasing strategies and enhanced negotiations, coupled with disciplined cost management. The increase in PAT also occurred despite lower revenue of RM3.6 billion compared to RM4.1 billion in FY2020, which was mainly due to the impact of the lockdown.

Managing Director/Chief Executive Officer's Statement

SEGMENT REVENUE AND PROFIT

RETAIL

REVENUE:

FY2021

RM3.1 billion

FY2020: RM3.4 billion

PROFIT:

FY2021

RM130.2 million

FY2020: RM77.9 million

The Retail segment's profit from operations before unallocated expenses largely reflected the Company's overall performance given that it was the primary contributor to both revenue and profit, increasing by 67.1% to RM130.2 million in FY2021 compared to RM77.9 million in FY2020. Despite revenue decreasing to RM3.1 billion from RM3.4 billion in FY2020, we were able to achieve higher profits as we continued to monitor our key cost drivers and to that end, we were able to improve our operational efficiencies, whereby our operational expenses and inventory levels were kept consistent, in trend with revenues.

PROPERTY MANAGEMENT SERVICES

REVENUE:

FY2021

RM531.3 million

FY2020: RM606.6 million

PROFIT:

FY2021

RM199.6 million

FY2020: RM227.3 million

Meanwhile, property management services revenue decreased by 12.4% to RM531.3 million against FY2020, attributed to a slightly lower occupancy rate at 88.3% compared to 88.7%¹ in FY2020 and a decline in tenant sales of 4%, mainly due to non-essential stores being closed during the various lockdowns as well as stores closed for sanitisation. However, this decline was mitigated by an increase in the collection of sales commissions, as we restructured the rental scheme to reduce fixed rental fees in favour of increased sales commission.

Reflecting the decrease in revenue, the property management services segment's profit from operations before unallocated expenses declined by 12.2% to RM199.6 million in FY2021 compared to RM227.3 million in FY2020.

BALANCE SHEET

AEON's balance sheet remains healthy with assets continuing to surpass liabilities. AEON's cash position remains at sufficient levels as we recorded an increase in liquidity to RM193.6 million to meet our working capital requirements. Overall, liabilities reduced by RM302.3 million as a result of lower borrowings and tax provision. AEON has continued to meet its financial obligations and retains a robust financial position to do so going forward. The increase in receivables from debtors is mainly due to accrual of debts arising from rentals owed by tenants to the Company. In FY2021, the assistance granted to tenants included deferment of rental payments, which contributed to an increase in receivables.

Capital Expenditure (CAPEX) for FY2021 increased by 44.8% to RM67.1 million (FY2020: RM46.4 million) as we intensified our investments towards refining and enhancing AEON's New Retail business model as part of the Company's digitalisation journey.



¹ The Annual Report FY2020 reported the occupancy rate of 83.8%, which excluded the anchor tenant. In FY2021, the Company changed the indicator to include the anchor tenant.

Managing Director/Chief Executive Officer's Statement

PERFORMANCE OVERVIEW

Retail Segment

Throughout the year, our Retail segment continued leveraging digitalisation and technology to broaden and deepen its customer ecosystem in preparation for the rebound in growth. We also focused on improving the customer experience via our Personal Shopper programme and the myAEON2go online platform, in addition to improving cost efficiencies and optimising operational productivity.

Optimising Our Personalisation Approach

In FY2021, AEON continued to swiftly adjust the product assortments across all our retail malls and outlets to cater to the evolving changes in consumption patterns and behaviour. To aid us in ensuring the right products were placed at the right times and in the right places, we utilised the insights gained from our 7 Customer Personas initiative². By understanding our customers better and piecing together their needs, wants, emotional cues as well as stages of life, we are able to better serve the targeted customer groups by giving customers exactly what they desire and improve affinity with our brand. For example, we used this information to adjust our product assortments to cater to Malay customers and as a result, we saw strong sales growth from our Malay-dominated stores.

As part of our journey towards understanding demand and personalisation, we introduced the AEON Personal Shopper programme in March 2020 during the first Movement Control Order (MCO) when we saw an opportunity to provide personalised advice, guidance and concierge services to customers. This service started within our grocery products and has since been expanded to include the Softline, Hardline and Wellness categories. For FY2021, sales from this segment grew 66% vs FY2020 with an average basket size of RM230 and serving 1.1 million customers since March 2020. Based on this, we saw good traction in our Personal Shopper service that continues to deliver results, and we expect it to continue to play an important role in meeting the needs of our customers.

² Please refer to pages 25 and 62 of this Annual Report for further details about AEON's 7 Customer Personas

Driving Digitalisation

As part of our digital transformation journey, we have further accelerated AEON's expansion into integrated Online-Merge-Offline (OMO) digital platforms during FY2021. Building upon our collaboration with Boxed, we introduced the myAEON2go e-commerce platform in August 2021. Since its soft launch, myAEON2go has seen encouraging growth in sales in the fourth quarter of FY2021 as a result of the change in buying behaviour; which has evolved into greater acceptance of digital adoption and online shopping.

Diversification Within Retail

Learning from the success of the AEON Personal Shopper programme, we continued to progress our diversification into non-traditional retail channels and collaborated with Mamasab International Sdn Bhd (Mamasab), one of Malaysia's largest dropshipping networks, focusing on baked goods and snacks. Through this collaboration, we developed a co-branded series of products to be sold by Mamasab agents throughout Malaysia. By allowing Mamasab agents to sell selected AEON products, the collaboration offered an additional income stream for dropshippers, including those whose incomes were affected by the pandemic. For AEON, this collaboration yielded positive results from the sale of more than a million sushi rolls, doughnuts, takoyaki and others, directly to customers all over Malaysia.



Property Management Services

To help our tenant partners weather the impact of the pandemic, AEON's Property Management Services took a longer-term view and implemented strategies to ensure that our tenant partners would be able to sustain their businesses. We shifted towards a variable rental structure to assist our tenant partners to manage the cost of paying higher fixed rental fees and as a result, tenant renewals increased about 85% in FY2021 vs only about 50% in FY2020. In addition, we organised targeted and thematic marketing initiatives to support our tenant partners, for example, during the month of August to celebrate the Mid-Autumn Festival and to commemorate National Day.

Optimising Digitalisation

AEON also empowered the retail community within our ecosystem by enabling access to existing AEON business platforms and applications such as POS and e-commerce, which benefited small traders with low and flexible cost structures. Through Kaizen Mobile Intelligence (Ka-Mi), which was introduced in FY2020, the Company is now able to deliver integrated end-to-end retail solution within a single revolutionary ecosystem.

In addition, we introduced 'AEON Makan', a one-stop delivery platform for customers to order food online from all of AEON's F&B tenant partners, as well as from the micro and small F&B businesses located within the vicinity of AEON Malls, which helped them to sustain their businesses during the MCO period.

In adopting these measures, AEON was able to retain many long-term tenant partners as well as recruit new tenant partners.

Managing Director/Chief Executive Officer’s Statement

Customer Personas

Our Customer Personas approach is a crucial tool that leverages market research and consumer behaviour concepts to create accurate customer profiles which then feed back to how we interact with our customers. This not only helps us formulate our communication strategies, but also to execute our more granular actions such as the actual products we choose to sell and the services or experiences we offer. It is essentially the foundation of our Demand Chain Business and Sniping and Personalisation focus areas.

Underpinning our Customer Personas approach is the concept of customer-centricity, which calls on the provider of a service or a product such as ourselves to put the customer needs at the core, and to rapidly test and generate new ideas for products, services and processes directly serving our customers.

The 7 Customer Personas we have identified provide the organisation with a common language to enable us to evolve in serving the needs of our customers. The personas we have identified cover a wide spectrum of demographics from the independent Boomers to ‘Woke’ generation. This is discussed in detail in the Sustainability Statement on page 62.

Furthermore, we have discovered that these personas are likely connected with one another, either through familial ties, friendships or community interactions. This gives us the opportunity to create shared conversations about AEON by providing products and services that are of relevance to more than one persona.

With a deepened understanding of our key stakeholders, AEON strives to continue serving them and the entire ecosystem with sincerity, compassion, empathy and kindness, to inspire good living in the communities that we serve.

AEON’S COMMITMENT TO SUSTAINABLE PRACTICES



AEON Sayap Bagimu

In FY2021, we underwent a paradigm shift in our approach to sustainability, recognising that we have an immense platform to effect positive change among all our stakeholders. In conjunction with AEON’s 37th anniversary, the Company moved forward to spread its wings to become a bigger part of the lives of Malaysians. Through our sustainability initiative for the nation, AEON Sayap Bagimu, we engaged with the communities to navigate the challenges brought about by the new normal. The aspiration for AEON Sayap Bagimu is based on the spirit of supporting one another to succeed together and to fly higher in creating better tomorrows. Since its launch in March 2021, we have implemented various programmes, including:

- Bridging the education gap for underprivileged children who did not have electronic devices to study online by contributing 2,000 units of Samsung Galaxy Tab T295s worth RM1 million to Form 5 students from eligible B40 families, involving 292 schools in seven states across Malaysia.
- Organising the Dapur Selebriti vs Dapur CEO programme that featured special menus from local celebrities and AEON management to raise funds for the tablet programme.
- Empowering 31 micro entrepreneurs nationwide by supporting their businesses to generate better income and improve their finances through the PUPUK@AEON initiative.

* For further details about each initiative under AEON Sayap Bagimu, please refer to our Sustainability Statement.



Managing Director/Chief Executive Officer's Statement



OUTLOOK AND PROSPECTS

Looking ahead, AEON is committed to delivering exciting offerings across our New Retail operations to meet customers' evolving needs and buying behaviours. While the economic outlook in FY2022 appears to be more positive than the previous year, we remain cautious as the balance of risks is tilted to the downside, mainly from the uncertainties surrounding COVID-19 variants, both domestically and globally.

To drive growth, we will continue to accelerate our digital transformation, including stepping up efforts to increase customer adoption of the myAEON2go platform, which has produced strong and tangible results in the past year. In addition, we will deepen customer engagement and experience via our loyalty programme and the iAEON App, which is an innovative platform that brings the in-store experience directly to our customers through their mobile devices. Our leaner organisation and cost structure will also help us deliver more value in the coming year.

We are also excited about the reopening of AEON Alpha Angle, which is the pilot setting for the IDEA approach. We believe IDEA will help us drive business as we bring the AEON Living Zone strategy to life and leverage the strengths of the entire AEON Ecosystem to integrate exciting OMO shopping experiences for the benefit of our customers. The AEON Alpha Angle renovation was completed in April 2022 and complementing the IDEA concept, AEON Alpha Angle will be equipped with solar power panels and facilities for vertical farming, recycling and e-waste management, demonstrating our commitment to green and sustainable practices.

In continuing with our journey to becoming nature positive, AEON will ramp up the efforts to integrate sustainability into our core business activities and we will move forward hand-in-hand with our customers in strengthening the commitment towards sustainable living. Guided by our 'Customer First' philosophy, AEON consistently provides what is best while understanding the needs of its ecosystem, from products sold on the shelves to customer loyalty programmes. AEON is committed to creating greater environmental awareness and to further promoting the importance of protecting the environment to our customers and our ecosystem.

We will also continue pushing ahead with our AEON Sayap Bagimu sustainability initiative with plans to help improve the community's access to health and education, reduce inequality and spur economic growth that is aligned with the objectives of the United Nations SDGs.

True to the spirit of AEON Sayap Bagimu, we have recently announced a major initiative as we adjusted AEON's minimum wage upwards to RM1,500 from RM1,200 a month in recognising that our AEON People are our most important asset and who are critical for the long-term sustainability of the organisation. This change took effect from 1 January 2022, and it has benefitted 2,738 AEON People, indicating our commitment to prioritising the welfare of AEON People.

In summary, I am grateful for the support and agility of our AEON People in steadily adapting to the swift and decisive actions that were taken to steer the Company forward in the pursuit of creating value for all our stakeholders. I am excited about what the future holds and look forward to the full implementation of our New Retail business model strategies which will seamlessly incorporate the OMO concept across our business while ensuring that we continue to prioritise our people, communities and the environment.

ACKNOWLEDGEMENTS

I would like to thank the Chairman and the Members of the Board for their wise counsel and the AEON Leadership Council for the outstanding dedication and support extended.

My gratitude also goes to our valued AEON customers for their loyal patronage and to AEON business partners-trade and non-trade suppliers, tenant partners, vendors, and collaborators-for their creativity, grit and determination in facing the disruptions to ensure that essential items continued to be available for the benefit of the public.

I also would like to extend my utmost appreciation to all the frontliners-from medical, health, safety and security personnel to social and service personnel, including retail players and our very own AEON People, for their tireless dedication, perseverance, commitment and selfless sacrifices in serving the nation in these trying times.

AEON is in full solidarity with the rakyat and the authorities as we transition to the endemic phase. While the Company is cautiously optimistic regarding the path to recovery, let us do all that we can and remain focused on ensuring high vaccination rates and that Standard of Procedures (SOPs) are fully observed to enable the quick return to normalcy.

Shafie Shamsuddin

Managing Director/Chief Executive Officer

Five-Year Financial Highlights

Year Ended 31 December	2021 RM'000	2020 RM'000	2019* RM'000	2018 RM'000	2017** RM'000
FINANCIAL RESULTS					
Revenue	3,630,364	4,051,302	4,538,884	4,353,640	4,123,351
Retailing	3,099,107	3,444,661	3,832,247	3,666,306	3,458,981
Property management services	531,257	606,641	706,637	687,334	664,370
EBITDA	724,652	746,127	843,402	532,568	524,587
Profit before tax	131,014	101,756	196,887	187,038	193,806
Profit after tax	85,287	41,423	109,292	105,123	105,007
Net dividend	42,120	21,060	56,160	56,160	56,160
FINANCIAL POSITIONS					
ASSETS					
Property, plant and equipment and Intangible assets	3,171,171	3,376,593	3,659,183	3,713,634	3,521,273
Right of use assets	1,501,217	1,689,636	1,772,427	-	-
Investment	63,927	57,848	76,600	82,106	92,690
Deferred tax assets	168,264	147,071	120,059	2,242	-
Other non-current assets	18,101	18,424	19,024	17,954	17,427
Current assets	940,115	803,819	890,481	830,770	778,174
TOTAL ASSETS	5,862,795	6,093,391	6,537,774	4,646,706	4,409,564
EQUITY					
Share capital	702,000	702,000	702,000	702,000	702,000
Non-distributable reserves	62,221	54,698	64,636	70,023	61,478
Retained earnings	978,524	914,297	929,034	1,248,352	1,199,389
TOTAL EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY	1,742,745	1,670,995	1,695,670	2,020,375	1,962,867
LIABILITIES					
Borrowings	728,333	933,580	928,660	995,423	937,670
Lease liabilities	2,064,988	2,230,339	2,293,098	-	-
Deferred tax liabilities	-	-	-	-	11,316
Other liabilities	1,326,729	1,258,477	1,620,346	1,630,908	1,497,711
TOTAL EQUITY AND LIABILITIES	5,862,795	6,093,391	6,537,774	4,646,706	4,409,564
FINANCIAL INDICATORS					
Earnings per share (sen)	6.07	2.95	7.78	7.49	7.48
Net dividend per share (sen)	3.00	1.50	4.00	4.00	4.00
Net assets per share (RM)	1.24	1.19	1.21	1.44	1.40
Net debt to equity (%)***	30.69	51.60	50.82	45.20	43.77
Return to equity (%)	4.89	2.48	6.45	5.20	5.35
Price earning ratio	23.23	36.27	18.25	19.63	23.53
Share price as at 31 December (RM)	1.41	1.07	1.42	1.47	1.76

Notes:

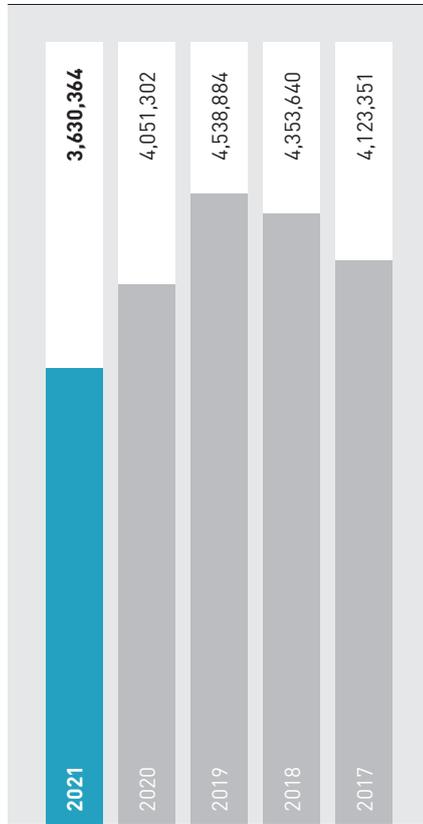
* The Company adopted MFRS 16, Leases, replacing MFRS 117, Leases from 1 January 2019.

** The amounts presented for 2017 have been adjusted upon adoption of MFRS 15, Revenue from Contracts with Customers on 1 January 2018.

*** Net debt to equity excludes lease liabilities.

Five-Year Financial Highlights

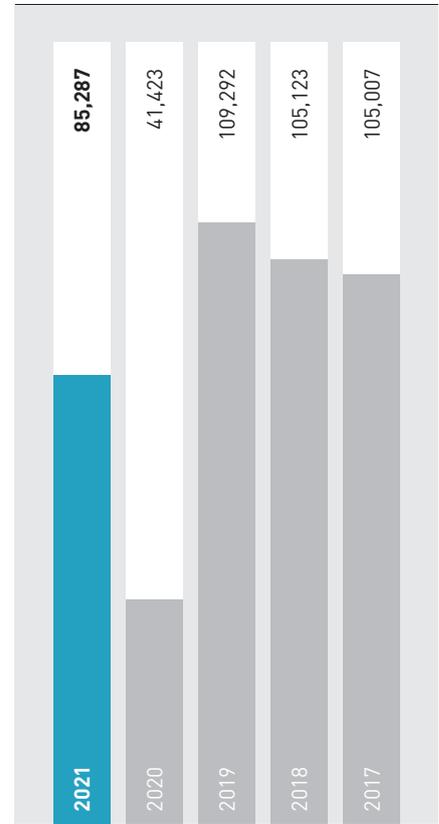
Revenue



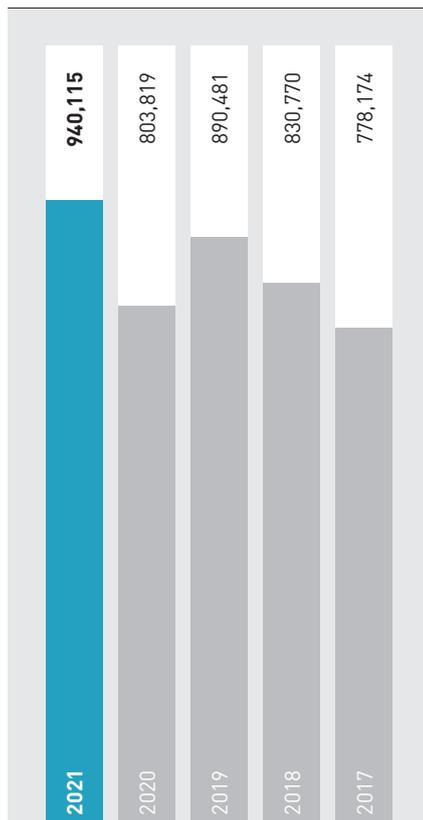
Profit before tax



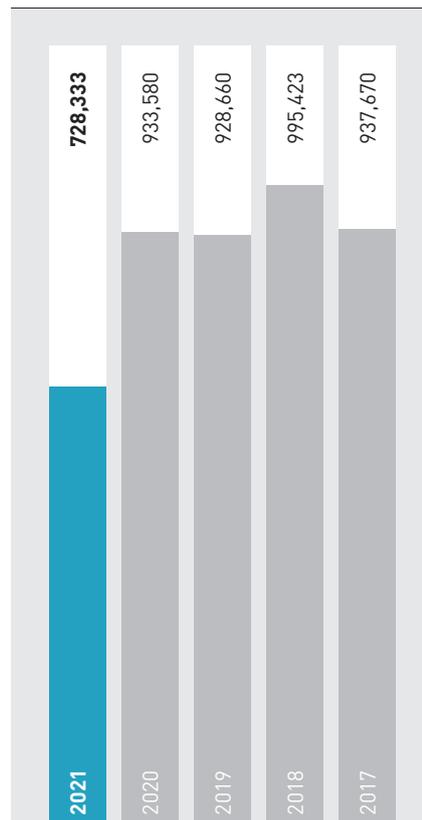
Profit after tax



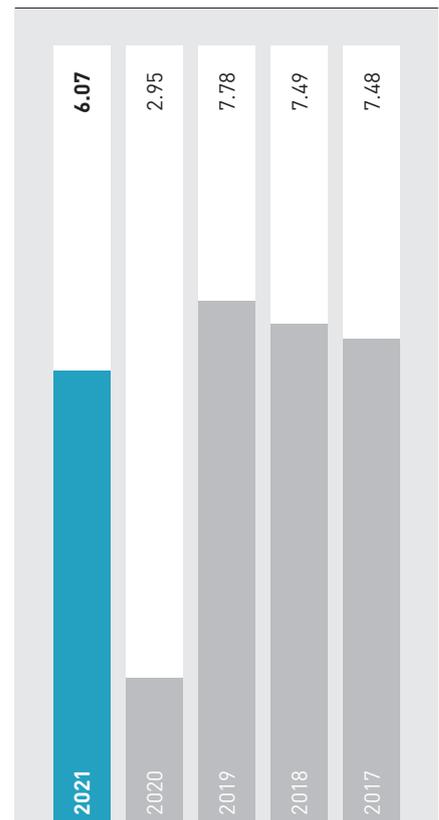
Current assets



Borrowings

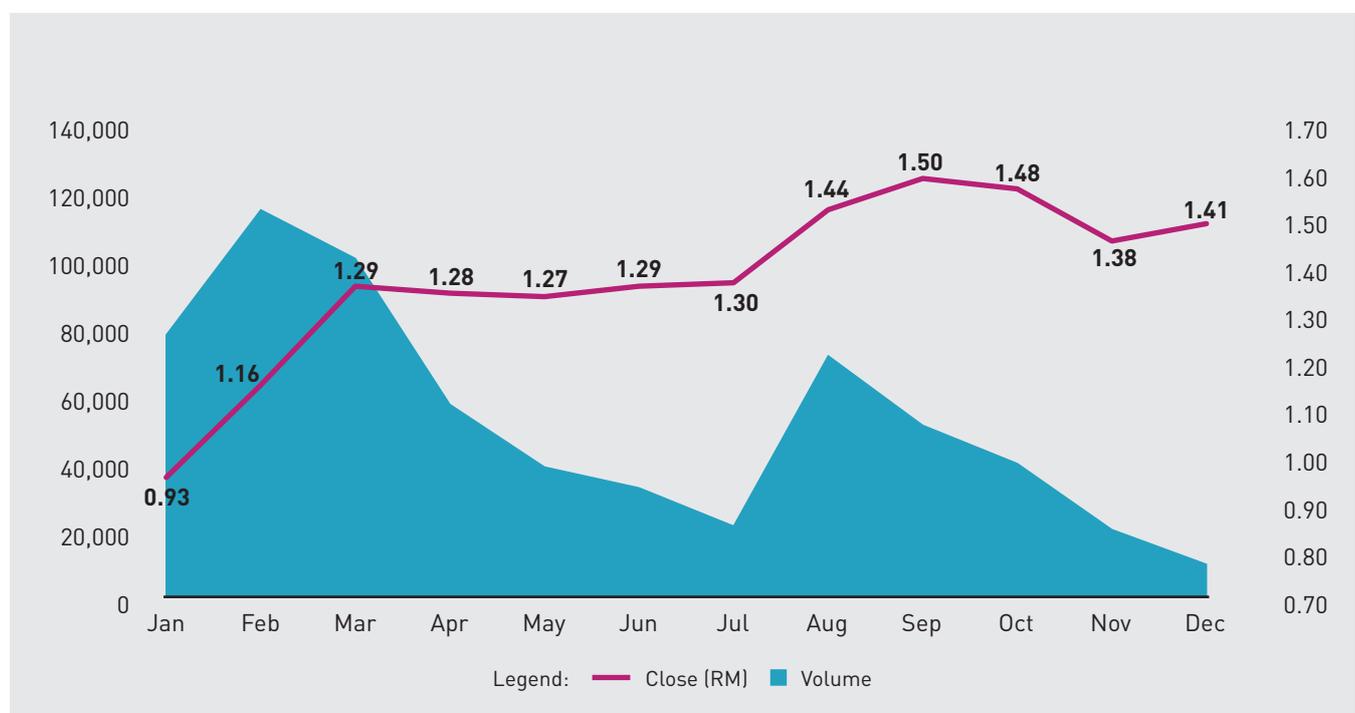


Earnings per share (sen)



Share Price

2021	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEPT	OCT	NOV	DEC
High (RM)	1.10	1.29	1.39	1.39	1.28	1.36	1.33	1.57	1.56	1.56	1.50	1.46
Close (RM)	0.93	1.16	1.29	1.28	1.27	1.29	1.30	1.44	1.50	1.48	1.38	1.41
Low (RM)	0.90	0.91	1.12	1.25	1.12	1.24	1.22	1.28	1.44	1.43	1.34	1.28
Volume ('000)	77,649	114,543	100,874	57,211	38,822	31,950	21,276	72,065	50,979	39,072	20,198	9,265





Market Landscape

Going into FY2021, many expected a year of strong economic recovery following the disruptions caused by the unprecedented COVID-19 pandemic in FY2020. With vaccination programmes rolling out across the world, in tandem with more upbeat business and consumer sentiment, this expectation held true for many parts of the world and there was optimism that the pandemic had been brought under control.

However, in mid-2021, the pandemic made a resurgence on the back of the highly-transmissible Delta variant. With the number of new COVID-19 cases increasing rapidly, Governments were forced to implement lockdowns to protect their health systems and the lives of their citizens. This quickly turned sentiment negative as economic activity slowed and consequently, the recovery trajectories of some countries were thrown off track. In Malaysia, the Full Movement Control Order (FMCO) took effect for a period of about 11 weeks between June and August 2021, slowing economic growth as only essential sectors were allowed to operate.

As a consequence, Malaysia's economic growth forecast of between 5-6% in 2021 was revised downwards by Bank Negara Malaysia (BNM) to 3-4%. Actual gross domestic product growth was recorded at 3.1%, as announced by BNM, compared to the 5.6% contraction in 2020. Consumer sentiment also declined with the Malaysian Institute of Economic Research (MIER) Consumer Sentiment Index (CSI) falling to 64.3 points in 2Q 2021, a quarter-on-quarter decline of 34.6 points and the second-lowest reading since its inception in 1988, with the lowest reading being in 1Q 2020 when the pandemic first landed in Malaysia.

According to the Department of Statistics Malaysia (DOSM), retail trade sales grew by 4.4% year-on-year to RM533.56 million in 2021, which indicated that there still remained a small gap to close after the 4.9% year-on-year contraction in 2020. This was largely due to the barring of the sales of non-essential items for a period of about 80 days, which adversely affected many traders and retailers, but was mitigated by the strong sales of essential items such as food, sanitisation and household items.

Following a successful National COVID-19 Immunisation Programme, which was accelerated during the lockdown period and resulted in high vaccination rates, movement restrictions were eased and economic activities were fully allowed to resume towards the end of 3Q 2021. This marked a turnaround for the retail sector as sales quickly recovered to pre-lockdown levels due to pent-up demand. Reflecting this, retail trade sales jumped by almost 13% in the fourth quarter of 2021 from the third quarter of 2021 while the MIER's 3Q 2021 CSI broke over 100 to 101.7, indicating short-term positive sentiments.



DIGITAL IS NOW BUSINESS AS USUAL

The broader effect of the pandemic on the retail industry was the rapid change in consumer behaviour, with digital platforms becoming increasingly important. Consumers have quickly adopted digital platforms and technologies to obtain the goods and services they need, leading to higher sales through these channels. This is a positive trend that many retail businesses have already started to benefit from, including AEON through its myAEON2go platform that has seen encouraging growth in 2021. According to the DOSM, e-commerce sales grew by 23.1% year-on-year for the first three quarters of 2021.

The change in consumer behaviour has also opened up opportunities in the 'phygital' space, where the boundaries between online and offline are no longer clear and are gradually converging. Consumers are increasingly looking for seamless shopping experiences and the OMO trend is likely to benefit retailers who can mobilise resources to meet these needs. The creation of OMO experience is in line with AEON's New Retail business model strategy which will be piloted at our renovated AEON Alpha Angle in 2022.

OUTLOOK

The strong economic momentum from the fourth quarter of 2021 spilling over into 2022, in tandem with the Government's desire to move the nation into an endemic COVID-19 phase bodes well for Malaysia's economic recovery. The Government has also committed, to not implementing further nationwide lockdowns to deal with the pandemic, which gives assurance to businesses and consumers that such disruptions will no longer occur.

With this backdrop and supported by the country's strong fundamentals, the Ministry of Finance (MOF) has forecasted the economy to expand by between 5.5% and 6.5% in 2022. The more favourable outlook is also based on factors such as the relatively muted effect of the Omicron variant and generally stronger recoveries seen around the world that will help lift Malaysia's exports. The wholesale and retail trade sector, meanwhile, is expected to grow by 8.7% according to the MOF, predicated on the wider usage of e-commerce and rapid transition to digitalisation, particularly in the retail segment, and improvements in the supply chain for the wholesale segment.

While the outlook is generally positive, downside risks continue to persist, especially in the context of consumer sentiment. For instance, following the increase in the MIER CSI index in 3Q 2021 to 101.7, it fell to 97.2 in 4Q 2021 as a result of concerns regarding subdued income and job expectations, alongside growing concerns about inflation, which tripled in pace to 2.5% in 2021 as compared to deflation of 1.2% in 2020. In addition, according to the NielsenIQ Global Insights survey, consumers intend to prioritise groceries and other essentials in 2022 and curtail spending on discretionary items such as out-of-home entertainment and dining.

AEON is optimistic about the industry's recovery and will continue with our digital transformation journey while strengthening our brand value proposition. We remain committed to delivering new and attractive offerings across our New Retail business model in meeting the changing customer needs and buying behaviours as we recover together and forge ahead in adapting to the new normal.

Value Creation Model



Value Creation Model

2 Sniping and Personalisation
Targeted and Segmented Customer Offerings

3 Transparency
Employees, Customers and All Stakeholders, SMEs and Industry Leaders

Outcomes



1 Enhance Our Engines
Enhancing existing business models to understand our customers across all our business offerings, including AEON Malls, AEON Stores, AEON Wellness, DAISO and Komai-so.

2 Energise AEON People
Energising our human capital to be the driving force behind our ongoing transformation and to imbue them with agility and new digital skills to enable us to be more competitive and sustainable.

3 Enable New Retail Business Model
Embracing our New Retail business model integrating OMO to serve all brands and enable consumers to enjoy various forms of experiential shopping journeys.

4 Entrepreneurial Data Driven Technology
Utilising entrepreneurial data driven technology to empower AEON People and partners to be more focused on executing based on our business values of Demand Chain Driven, Sniping and Personalisation, and Transparency.

5 Empower AEON Ecosystem
Leveraging the strength of AEON's stakeholders and partners by connecting every touchpoint of the ecosystem.

- Net Profit of RM85.3 million (106% increase y-o-y).
- Proposed dividend of RM42.1 million with dividend yield of 2.1%.
- Share price as at 31 December 2021 of RM1.41 (31 December 2020: RM1.07).

- Total number of AEON People - 11,003.
- Increased minimum wage from RM1,200 to RM1,500 to benefit 2,738 AEON People.
- 2,500 AEON people spent 18,504 man-hours on 34 training programmes.
- Diversity:
 - 58% female representation in FY2021.
 - Employment of 115 Persons with Disabilities (PWDs) (1.4% of total workforce).

- Soft launched our online delivery platform, myAEON2go in August 2021.
- Introduced AEON Personal Shopper and AEON Dropship.
- Creation of AEON's 7 Customer Personas to understand customer demand resulted in increased sales contribution from our Top 5 Malay stores.

- Electricity savings of RM28.9 million, equivalent to CO₂ reduction of 20,090 tonnes.
- Installation of solar panels in AEON Taman Maluri Shopping Centre and AEON Alpha Angle.

- 2,000 units of tablets distributed to students involving 292 schools.
- AEON Sayap Bagimu initiatives.

Please refer to page 63 for the list of initiatives.

The Risks We Consider

AEON has in place a robust Enterprise Risk Management Framework that enables us to manage and report the risks that we face as a business.

A risk that can seriously affect our ability to deliver our customer value proposition or business sustainability is termed as a 'Principal Risk'. To manage these principal risks effectively, we have identified the risk appetites for key areas affecting the management of our principal risks.

The table below sets out our principal risks, their underlying causes and the key control factors in addressing each risk.

1	TRANSFORMATION RISK	
	Inability to transform the existing business model and to deliver the New Retail business model vision due to poor resource prioritisation, poor target-setting and result-tracking, change inertia or lack of willingness to experiment in pursuing innovation.	
	Rationale / Cause	Key Control and Mitigation Factors
	<ul style="list-style-type: none"> • Poor governance structure to monitor, report and follow up on any action plan. • External factors such as the COVID-19-induced public health crisis, dampened retail spending environment, climate change and global competition for digital and technology talent. • Project-related risks such as risks incurred during project planning and execution, and in the management of contracts. 	<ul style="list-style-type: none"> • A clear strategic roadmap that repositions and re-energises sustainability in every facet of business – codified and communicated via the AEON Strategy Playbook. • Pilot programme initiative to incorporate New Retail business model vision and new mall vision (i.e. AEON Alpha Angle). • Redirection of capital expenditure from physical mall renewal towards delivering an omnichannel experience. • Project management governance practices are being put in place to monitor the execution, spending and procurement activities, and progress of key projects.
Link to Material Matters	<ul style="list-style-type: none"> • Digitalisation • Customer Relationship Management • Supply Chain Management 	<ul style="list-style-type: none"> • Community Contribution, Support and Engagement • Supporting SMEs
2	PEOPLE RISK	
	The risk of not being able to attract, retain and develop the required capabilities and to embed AEON's Agile, Genba and Entrepreneurship (A.G.E.) values in our people.	
	Rationale / Cause	Key Control and Mitigation Factors
	<ul style="list-style-type: none"> • Heightened competition for talent, locally and globally. • Remuneration and benefits that are insufficiently competitive to attract and retain the right people for the right jobs. 	<ul style="list-style-type: none"> • Five-year Human Resource Transformation Programme. • Succession programme in place for key personnel. • In-house development and training programmes (i.e. AEON Skills Training Centre).
Link to Material Matters	<ul style="list-style-type: none"> • Digitalisation • Health, Safety and Well-Being • Governance, Ethics and Integrity 	<ul style="list-style-type: none"> • Labour Practices • Diversity and Equity

The Risks We Consider

3	DIGITALISATION RISK
Delays in digitalisation may affect the Company’s competitive position.	
Rationale / Cause	Key Control and Mitigation Factors
<ul style="list-style-type: none"> High reliance on third parties to deliver front-end retail applications. Inadequate integration between front-end applications and AEON’s back-end physical and IT systems. 	<ul style="list-style-type: none"> An in-house specialist team under the aegis of the Chief Entrepreneurial Commerce Officer was established to identify specialist talent, incubate AEON’s digital retail initiatives and serve as a bridge between AEON and its third-party application developer. A specialist team reporting to the Chief Technology Officer for the implementation of various back-end applications, such as the SAP system, as well as the integration of existing front-end applications with AEON’s back-end applications.
Link to Material Matters <ul style="list-style-type: none"> Digitalisation Customer Relationship Management Supply Chain Management <ul style="list-style-type: none"> Product Safety, Quality and Services Supporting SMEs 	
4	LIQUIDITY RISK
Ineffective cash management and inadequate tenant collection management, leading to potential delays in fulfilling payment obligations.	
Rationale / Cause	Key Control and Mitigation Factors
<ul style="list-style-type: none"> Business disruptions due to COVID-19-induced movement control orders, the recession and erratic and extreme weather patterns due to climate change, exacerbated by poor urban development and resource management. Adverse changes in commodity prices, affecting supply cost of key inventory, leading to lower sales and increased logistic costs and energy costs (electricity tariff). Changes in Government/regulatory stance on licensing, permits, taxation and interest rates. 	<ul style="list-style-type: none"> A task force to increase mall tenant engagement to maintain desired levels of mall tenant ageing and to reduce tenant dropouts/defaults. Increasing engagement with land/building owners of malls to obtain lease reductions due to the COVID-19-induced MCOs. Supply chain task force established to closely monitor supply changes and implement necessary remediation plans. Continuous review of fit-for-purpose financing facilities against operating needs. Annual review of insurance plans to ensure their adequacy and exploring new risks to be insured.
Link to Material Matters <ul style="list-style-type: none"> Digitalisation Customer Relationship Management Supply Chain Management <ul style="list-style-type: none"> Governance, Ethics and Integrity Labour Practices 	
5	CYBERSECURITY RISK
Compromised IT infrastructure due to internal or external threats, which may lead to data breaches, theft, loss and misappropriation of information that could result in loss of customer confidence, leading to reputational damage and business disruption.	
Rationale / Cause	Key Control and Mitigation Factors
<ul style="list-style-type: none"> Heightened exposure, given the acceleration of digitalisation in AEON’s business functions. Lack of an adequate cybersecurity policy and programme. Lack of specialists in cybersecurity and data integrity. Increase in external cyber threats through DDOS attacks and ransomware. 	<ul style="list-style-type: none"> Increasing reliance on a cloud-based storage service provider that provides enhanced data security protection, such as Alibaba Cloud, Google Cloud or Microsoft Azure (e.g. Alibaba Security Centre). Enhancing and monitoring cybersecurity features to secure our network, web applications, web server, application codes and database layers of various front-end and back-end applications. Increasing IT security audits and reviews.
Link to Material Matters <ul style="list-style-type: none"> Digitalisation Governance, Ethics and Integrity <ul style="list-style-type: none"> Data Governance and Security 	

The Risks We Consider

6	CUSTOMER RETAIL PRODUCT PROPOSITION RISK	
<p>The risk of not understanding customer demand in terms of product needs and requirements such as choice/assortment, quality, safety, price competitiveness and evolving ethical and responsible sourcing standards, leading to inability to build and sustain customer loyalty.</p>		
Rationale / Cause		Key Control and Mitigation Factors
<ul style="list-style-type: none"> • Poor assortments due to inadequate data-driven decision-making process. • Inadequate ethical and responsible supply chain management. • Inadequate supply chain management. • Changing demographics, e.g. Gen-Zs are not only emerging as potent retail spenders, but they are also influencing the course of the regulatory environment in which we operate. • Heightened competition from physical and digital retailers, locally and globally. • Global/local supply chain disruptions due to climate change-induced events, global political volatility, geopolitical tensions, Government restrictions, COVID-19 and the recession, leading to insolvency of key suppliers. 		<ul style="list-style-type: none"> • Execution of Merchandising Strategy, which encompasses strategies for private brand development, responsible sourcing and portfolio sourcing, combining a balanced approach to local and global sourcing to future-proof AEON against supply chain disruptions. • Buying decisions to be driven by data-driven customer demand analysis and insights instead of supplier incentives (i.e. AEON's 7 Customer Personas).
Link to Material Matters	<ul style="list-style-type: none"> • Product Safety, Quality and Services • Data Governance and Security • Governance, Ethics and Integrity • Customer Relationship Management • Supply Chain Management • Environmental Stewardship • Supporting SMEs • Community Contribution, Support and Engagement 	

7	CUSTOMER RETAIL EXPERIENCE	
<p>Failure to continuously attract and satisfy customers due to our lack of personalisation.</p>		
Rationale / Cause		Key Control and Mitigation Factors
<ul style="list-style-type: none"> • A combination of poor understanding of consumer preferences and our lack of data analysis on their past purchase trends. • Inadequate personalisation features in our e-commerce/customer relationship management of front-end retail applications, e.g. myAEON2go. 		<ul style="list-style-type: none"> • Deployment of e-commerce solutions, such as MyAEON2go, to deliver OMO retail experience, as well as e-wallet payment options in stores and QR codes to better assist customers' purchase decisions. • In-house market/customer insights and customer experience/happiness team. • Enhancing the delivery of the AEON membership loyalty programme through corporate partnerships and member incentives. • Enhancing the timely analysis of consumer purchase trends.
Link to Material Matters	<ul style="list-style-type: none"> • Digitalisation • Customer Relationship Management • Product Safety, Quality and Services • Data Governance and Security • Community Contribution, Support and Engagement 	

The Risks We Consider

8 HEALTH, SAFETY AND SECURITY RISK

Health, safety and security risks compromising the health and safety of secured work and retail environment for its stakeholders.

Rationale / Cause

- Internal threats, such as employee misconduct/negligence and poor facility management, and external threats, such as robbery, fire, flood, etc.
- Heightened security risks arising from COVID-19-induced public health crisis and job losses.
- Climate change-induced erratic and extreme weather patterns, exacerbated by poor urban development and leading to floods and other threats.

Key Control and Mitigation Factors

- In-house and dedicated health and safety team to audit malls' compliance with AEON's health, safety and security requirements.
- Deployment of enhanced technological features such as smart CCTVs to secure malls and their people.
- Assessment of threats, such as floods, to cultivate a localised approach in securing our malls and their people; reviewing firefighting facilities to secure operational ability during water disruptions.
- Enhancing the business continuity programme, which includes the emergency response procedures and disaster recovery plan, to minimise business disruptions for customers.

Link to Material Matters

- Health, Safety and Well-Being
- Labour Practices

- Governance, Ethics and Integrity
- Customer Relationship Management

9 BUSINESS SUSTAINABILITY RISK

Maintaining and enhancing AEON's competitiveness and reliability in terms of attracting retailers, customers and the local community, especially in a highly disruptive marketplace.

Rationale / Cause

- Shift in customer preferences towards online retail and shopping.
- Water and power disruptions due to climate change-induced events, exacerbated by poor urban development and resource management.
- Heightened competition from physical and virtual malls.
- Business disruptions arising from flood, fire, etc.
- Shift in customers' expectations of the future of malls.

Key Control and Mitigation Factors

- AEON Virtual Mall – an OMO retail experience for our customers.
- Upgrading malls to e-fulfilment centres for online retailers.
- Enhancing AEON's retail stores through a myriad of digitalisation endeavours to further strengthen our malls' value proposition.
- Adopting passive design features and other enhancements in new and renewal mall projects in order to protect them from energy and water disruptions.
- Adopting and embedding the United Nations SDG principles and standards in organisational performance indicators.
- Strengthening leasing by restructuring tenant mix to increase engagement and traffic to malls.

Link to Material Matters

- Health, Safety and Well-Being
- Customer Relationship Management
- Environmental Stewardship

- Community Contribution, Support and Engagement



Our Approach To Sustainability And Inclusivity

At AEON, we are committed to moving our sustainability journey forward by partnering and growing together with our communities. Guided by the AEON Basic Principles, our approach to sustainability puts our customers' point of view at the core of all we do, as we pursue peace, respect humanity and contribute to local communities. We also focus on inclusivity as we strive to reduce inequalities by empowering those who are in socially and economically disadvantaged positions as we spread our wings to encourage a greener and more compassionate world.



Peace
AEON is a corporate group whose operations are dedicated to the pursuit of peace through prosperity.

People
AEON is a corporate group that respects human dignity and values personal relationships.

Community
AEON is a corporate group rooted in local community life and dedicated to making a continuing contribution to the community.

Leveraging on the AEON Basic Principles that focus on three key thrusts of PEACE, PEOPLE and COMMUNITY with CUSTOMER as the central core, AEON is dedicated to meet the obligations of being a good corporate citizen. We strive to foster greater engagement and collaboration with our communities as we seek to support our stakeholders in achieving their aspirations. This is in line with AEON's corporate governance framework, organisational culture and long-term value creation goals for our stakeholders.

The AEON Basic Principles are attuned with Bursa Malaysia Securities Berhad's Sustainability Reporting Guide that is divided into three pillars - Economic, Environmental and Social (EES), with shared values and goals. Our approach to sustainability is also guided by the United Nations' 17 Sustainable Development Goals (SDGs), where we prioritised nine goals that are most relevant to our business management and operation. We had adopted SDG 3, 4, 8, 12, 15 and 16 in 2020 and adopted SDG 10, 13 and 17 in 2021, in line with the addition of new sustainability initiatives that we introduced.



Adopted United Nations Sustainable Development Goals (SDGs)

3 GOOD HEALTH AND WELL-BEING	4 QUALITY EDUCATION	8 DECENT WORK AND ECONOMIC GROWTH	10 REDUCED INEQUALITIES	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	13 CLIMATE ACTION	15 LIFE ON LAND	16 PEACE AND JUSTICE STRONG INSTITUTIONS	17 PARTNERSHIPS FOR THE GOALS
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We will continue to serve as a force for good for our communities and the stakeholders to ensure continuous value creation and to generate long-lasting positive impacts.

Scope And Boundaries

The scope of this statement covers AEON's most pertinent sustainability-related projects, initiatives and activities. These include principal business activities and operations as well as sustainability initiatives and practices and community engagement for the financial year 1 January to 31 December 2021 (FY2021).

Frameworks Applied

This Sustainability Statement is prepared in accordance with the Bursa Malaysia Sustainability Reporting Guide (Second Edition) and is also in reference to the Global Reporting Index (GRI).

Sustainability Governance

At AEON, sustainability is driven by a robust, well-defined governance structure. This governance structure is outlined in the Board Charter, with the Board providing oversight of AEON's overall sustainability strategy. The Board is also responsible for ensuring adequate measures for systems and processes are in place and this is supported by the Audit and Risk Management Committee (ARMC).

In FY2020, the Sustainability Steering Committee (SSC) was established to oversee development of the Company's sustainable strategy and to create stronger leadership and participation from the AEON Leadership Council (ALC). Chaired by the MD/CEO, the SSC is supported by the Sustainability Working Committee (SWC), whose role is to review, deliberate and implement strategies to drive sustainability throughout the Company as well as monitor its progress. AEON's corporate risk scorecard will be reviewed and revised to include the risks related to sustainability.

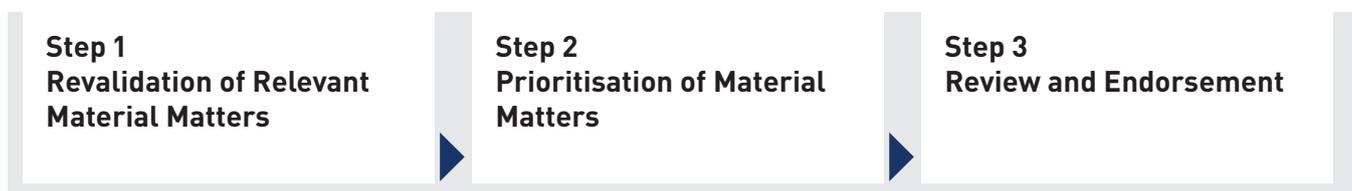


Materiality Process

GRI 102-47

In the year under review, the Company conducted a materiality revalidation exercise to assess and prioritise issues of relevance to AEON and its related stakeholders. The issues we identified were selected based on current priorities, strategy, stakeholder concerns and material risks, which are all essential factors in the context of value creation.

This materiality validation followed an established, structured three-step approach, as below:



1. Revalidation of Relevant Material Matters

The Company has reviewed its Sustainability Statement for FY2020 and updated its material matters for FY2021.

Factors taken into consideration in arriving at its revised material matters included current business environment as well as internal and external changes relevant to AEON's businesses. A total of 12 relevant sustainability material matters were mapped out, encapsulated in AEON's Basic Principle - People, Peace and Community.

2. Prioritisation of Material Matters

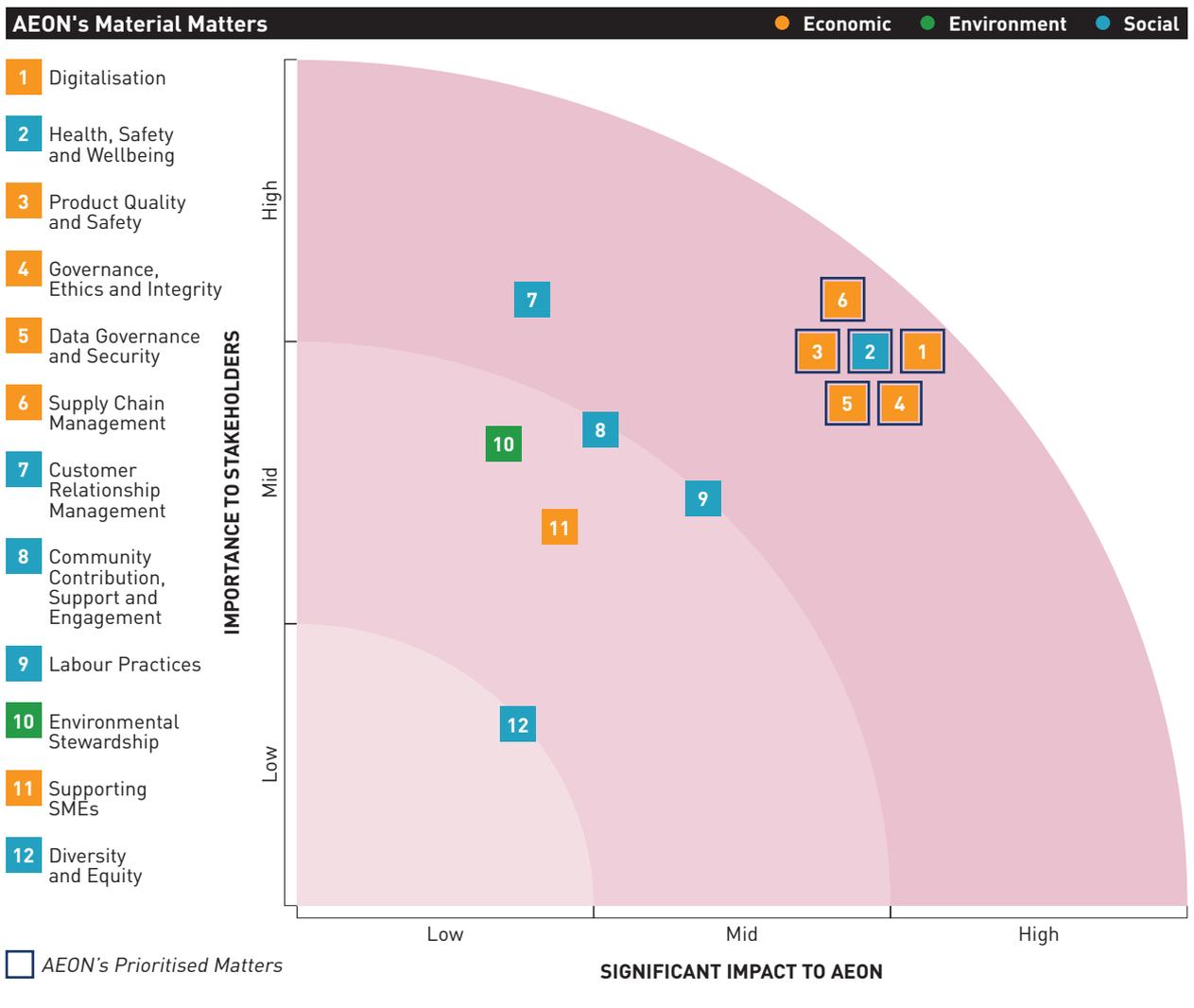
AEON prioritised five material matters based on the impact to the Company and its importance to the relevant stakeholders.

In FY2021, some material matters were consolidated, and new materiality matters were identified as a result of the revalidation of relevant material matters. The changes made to the material matters are as follows:

- (a) Three material matters, Preserving Biodiversity, Climate Change and Environmental Management, and Future Generation Awareness and Education were consolidated into one material matter, known as Environmental Stewardship;

Materiality Process

- (b) The material matter of Ethics and Integrity is realigned as Governance, Ethics and Integrity;
- (c) Talent Management and Development was combined under Labour Practices; and
- (d) Customer Responsibility was combined with Customer Relationship Management.
- (e) In line with AEON’s strategy, one new material matter, Data Governance and Security, was added to demonstrate our commitment towards ensuring data quality, data reliability and trustworthiness to support the Company’s transformation journey. Our material matters are as follows:



3. Review and Endorsement

The SSC reviewed the material sustainability matters based on internal and external stakeholders’ feedback, in accordance to their impact on the Company.

SUSTAINABILITY STATEMENT

How We Assess Our Materiality

Aligning Our Material Matters with Sustainable Development Goals

GRI 103-1

To better contribute to the global goals, we have aligned our 12 material matters with the nine Sustainable Development Goals (SDGs) that we adopted as well as the GRI Standards.

Material Matters	SDGs	GRI Standards
 Digitalisation		GRI 418 – Customer Privacy
 Health, Safety and Wellbeing		GRI 403 – Occupational Health and Safety
 Product Quality and Safety	  	GRI 416 – Customer Health and Safety GRI 417 – Marketing and Labelling
 Governance, Ethics and Integrity		GRI 205 – Anti-Corruption
 Data Governance and Security	 	GRI 418 – Customer Privacy
 Supply Chain Management	 	GRI 102 – General Disclosures GRI 204 – Procurement Practices
 Customer Relationship Management		GRI 103 – Management Approach
 Community Contribution, Support and Engagement	 	GRI 203 – Indirect Economic Impact
 Labour Practices	 	GRI 402 – Labour/ Management Relations
 Environmental Stewardship	   	GRI 302 – Energy GRI 303 – Water and Effluents GRI 306 – Waste
 Supporting SMEs	  	GRI 203 – Indirect Economic Impact
 Diversity and Equity	 	GRI 102 – General Disclosures GRI 405 – Diversity and Equal Opportunity GRI 406 – Non-Discrimination

How We Engage Our Stakeholders

GRI 102-40, 102-41, 102-42, 102-43, 102-44

At AEON, stakeholder engagement is a crucial process that helps us to understand customer needs, enable key insights to further improve processes, products and service levels, and strengthen relationships with relevant stakeholders for current and future growth.

AEON manages this via formal and informal engagements and has built a comprehensive stakeholder mapping of its stakeholder universe in tandem with a robust comprehensive engagement plan, as shown below:

Stakeholder Group	Areas of Concern	Management Response	Engagement Platforms
 Employees	<ul style="list-style-type: none"> • Career development • Compensation, welfare and benefits • Employment equality • Working environment and quality • Safety • Job performance evaluation/assessment • Ethics, disciplinary and misconduct 	<ul style="list-style-type: none"> • Internal and external training programmes • Employee welfare and operation meetings • Employee activities and gatherings • Performance management system • AEON Code of Conduct channel • Whistleblowing channel • Talent pool system and benefits 	<ul style="list-style-type: none"> • Training • Learning programmes • Formal and informal meetings, briefings and assembly • Written policies and procedures • Internal surveys, newsletters • Events and activities
 Customers	<ul style="list-style-type: none"> • Product pricing, safety and quality • Service culture, comfort, convenience and satisfaction • Privileges, benefits and added value • Online shopping 	<ul style="list-style-type: none"> • AEON Careline • AEON Day, Members' Day • Festive celebrations • Events and competitions • Social media • Customer service • Service counter • Facilities • Well stocked and well assorted merchandise • Online purchase and delivery services 	<ul style="list-style-type: none"> • Corporate website, policies, digital and social media • AEON Careline (email, contact centre) • Customer voice (CV) form • Customer service counters • Sales, promotions, roadshows • In-store information (POP, banners etc.)
 Government and Regulators	<ul style="list-style-type: none"> • Regulations, governance and compliance to law, requirements and standards • Accuracy, transparency and disclosure • Collaboration for mutual branding 	<ul style="list-style-type: none"> • Reports and policies made for public disclosure • Internal Standard Operating Procedures (SOPs) • Continuous monitoring and communication with stakeholders • Provide support and participation 	<ul style="list-style-type: none"> • Corporate website, digital and social media • Meetings, forums, roundtables, briefings • Formal events • Official business dealings • Store visits
 Investors and Shareholders	<ul style="list-style-type: none"> • Business performance • Business directions • Prospects and strategies • Return of Investment • Business continuity • Business risks • Shares liquidity 	<ul style="list-style-type: none"> • Financial performance results • Bursa announcements • Media releases/media conferences • Investor Relations roadshow • Annual reports • AGM 	<ul style="list-style-type: none"> • Financial and other reports • Media releases/media conferences • Corporate website • Annual General Meeting (AGM) • Bursa announcement • Investor Relations Roadshow

SUSTAINABILITY STATEMENT

How We Engage Our Stakeholders

Stakeholder Group	Areas of Concern	Management Response	Engagement Platforms
 Community	<ul style="list-style-type: none"> • Financial support and aid • Social responsibility • Environmental awareness and education • Lifestyle support • Business opportunity • Employment support • Livelihood support 	<ul style="list-style-type: none"> • Festive celebrations • Malaysian AEON Foundation activities • Shopping mall lifestyle activities and social events • Financial assistance and donation • Corporate Social Responsibility (CSR) events and programmes with community • Job opportunity • Kiosk or temporary space rental set-ups at shopping malls 	<ul style="list-style-type: none"> • Corporate website, digital and social media • Community engagement events and activities • Malaysian AEON Foundation charitable activities and programmes • AEON Cares environmental events and activities
 Suppliers	<ul style="list-style-type: none"> • Procurement process, payment terms and practices • Strategic partnerships • Product and promotion support • Trading terms • Business conduct, integrity and ethics • Working alliance 	<ul style="list-style-type: none"> • Clear procurement and payment process SOPs • AEON Business Partner Alliance (ABPA) • Whistleblowing channel • Charity events and collaborative activities • Business discussion 	<ul style="list-style-type: none"> • Meetings, capacity building sessions and business alliance meetings • Audits and site visits • Policies • Collaborative promotion activities • Formal and social events
 Media	<ul style="list-style-type: none"> • Company's latest events, product launches, latest collaborations, news updates • Company's performance updates • Perception management and crisis communications • Collaborative programmes for short-term and long-term engagements 	<ul style="list-style-type: none"> • Media conference/interview sessions, written responses. • Media collaborative programmes • Editorial, advertorial and branded content • Public announcements • Video messages 	<ul style="list-style-type: none"> • Meetings and facility visits • Collaborative programmes • Issuance of media release, holding statements • Media conferences, media interviews, media Q&A via online, physical or virtual • Advertisements and promotions • Branding, publicity and awareness • Website and social media
 Industry	<ul style="list-style-type: none"> • Retail sales performance • Industry issues • Government policies • Mutual interest issues 	<ul style="list-style-type: none"> • Malaysia Retailers Association (MRA) • Meetings and business dialogues • Support/participation in social events 	<ul style="list-style-type: none"> • Meetings, roundtables, forums and briefings • Trade associations • Formal events and programmes

Sustainability Statement

As Malaysia’s leading retailer, AEON is committed to driving sustainable growth in all aspects, underpinned by the belief that a sustainable business is one that not only prioritises financial returns, but also protects the environment, nurtures its employees and uplifts its communities and the ecosystems.

In line with AEON Basic Principles, we are consciously enhancing our surroundings for the benefit of our communities by contributing to the prosperity of the nation through employment and job creation, the upskilling and reskilling of its citizens, protecting the environment and collaborating with others to support our communities.

We believe that our Agile, Genba, and Entrepreneurial business approach is key to ensuring sustainable financial performance and unlocking greater value creation opportunities for continued prosperity. We also remain deeply committed to reducing our environmental impact by implementing climate change action that will accelerate the nation’s transition to a low-carbon economy.

We recognise the importance of ensuring that the social ecosystem we operate in remains one that is inclusive and nurturing, where we adopt an approach of leaving no stone unturned in doing what we can to enable society to progress together. As we advance our sustainability journey together with our stakeholders, we are also future proofing our business as we see ourselves becoming the catalyst for the convergence of sustainability, inclusivity and business growth to achieve our goal of becoming nature positive.

At AEON, it is clear that we care and we are moving forward and growing together towards a brighter and more sustainable future.

Our approach to sustainability is aligned with the Economic, Environmental and Social (EES) pillars that seeks to improve the prosperity of the world we live in, protect our planet for the benefit of our communities while taking action that uplifts the communities we operate in.

ECONOMIC

ENVIRONMENTAL

SOCIAL



At AEON, we are determined to foster peaceful, prosperous and inclusive societies for the benefit of all our stakeholders. Through concerted efforts, AEON consistently supports and engages our business ecosystem as we seek to inspire and be a source of strength especially during these challenging times. For our customers, we are dedicated to ensuring the provision of safe and top-quality products and services. We also fully support small businesses and our tenant partners to ensure that they too can share in the journey of sustainable growth.

1. PRODUCT SAFETY, QUALITY AND SERVICES GRI 416-1, 417-1

To achieve the Company’s goals as the most preferred retailer in Malaysia, AEON understands that acquiring and maintaining the trust and confidence of stakeholders is of paramount importance. To this end, AEON takes steps to ensure that its services and facilities go beyond the expectations of its customers and product quality assurance remains unsurpassed.

1.1 ‘Bersih, Selamat dan Sihat’ (BeSS) CERTIFICATION

BeSS (Clean, Safe and Healthy) is an approved recognition given to food premises’ operators by the Ministry of Health (MOH), Malaysia to encourage the provision of safe and healthy food.

In 2021, the BeSS certification remained at 93 Food Court counters of 13 AEON Stores and 45 Food Avenue counters of six AEON Malls.

Details of BeSS Certification

Premises Certified	2021	2020	2019
AEON Stores	13	13	13
AEON Shopping Malls	6	6	6
TOTAL	19	19	19
Food Counters Certified			
Food Courts (AEON Stores)	93	93	116
Food Avenues (AEON Malls)	45	45	45
TOTAL	138	138	161

1.2 Hazard Analysis and Critical Control Point (HACCP) Certification

The SGS Malaysia’s HACCP recognises the Company’s practice of meeting its requirements of food safety and fulfilling consumer requirements, as outlined in the Good Manufacturing Practice (GMP) and Food Safety Critical Control Points.

In 2021, AEON had successfully either completed or renewed the HACCP certifications for 34 AEON Stores.

Sustainability Statement

List of AEON premises with HACCP certification:

Region	2021	2020	2019
Northern	8	8	7
Klang Valley	18	17	16
Southern	8	8	8
TOTAL	34	33	31

Stores authorised with HACCP certification are managed by their respective HACCP committee members. Such certifications are subjected to periodic internal and external audits to ensure continued compliance with standards required.

1.3 Food Safety Certifications

AEON adopts a preventive and proactive approach towards food safety, in complying with relevant food safety certifications set by authorised bodies.

- Food Safety System Certification (FSSC) 22000**
 FSSC 22000 is one of the highest Global Food Safety Initiatives (GFSI) certified by food safety schemes. Since successfully obtaining this certification in 2018, the AEON Food Processing Centre (AFPC) has continued to maintain the highest standards in the monitoring of food safety and hygiene practises, allergen control and food defence measures.
- 'Pasar Bersih & Selamat'**
 On 24 November 2021, AEON Klebang in Ipoh, Perak and AEON Queensbay in Bayan Lepas, Penang were presented with Certificates of Appreciation for being ranked the second and third winners respectively for the 'Pertandingan Anugerah Pasar Bersih dan Selamat 2020/2021' for the 'Pasar Swasta' category in an event organised by by MOH. Other AEON Stores qualified as finalists were AEON Kota Bahru, AEON Taman Maluri Shopping Centre and AEON Shah Alam.

1.4 AEON's Halal Assurance System

Since its implementation in 2010, AEON's Halal Policy has been deeply ingrained in the Company's daily operations. This policy is governed by the Guidelines for Halal Assurance Management System, issued by the Department of Islamic Development Malaysia (JAKIM).

In adherence with the Halal Assurance System guideline, we ensure the following:

- We develop, implement, and improve halal requirements with halal purity and sincerity.
- We ensure a quality management system through the supply chain by taking a systematic approach to preserve halal integrity of all products.
- We have all the guidelines ingrained and adhered strictly to them to prevent any non-compliance in producing halal products.
- We are in compliance with JAKIM's standards and requirements.

Certified Halal Applications

Halal Applications	2021	2020	2019
Delicatessen, La Boheme, Coco Cafe, Sushi, Pizzas and Drinks	103	131	134



Sustainability Statement

2. SUPPLY CHAIN MANAGEMENT GRI 102-9, 204-1

This year, AEON undertook initiatives to support the local supply chain as they faced challenges in sustaining their business due to the COVID-19 pandemic and the flash floods. All this was done to encourage local entrepreneurs to contribute to the economy and create demand for locally made products while adhering to the Movement Control Order (MCO) and Conditional Movement Control Order (CMCO).

The Company also initiated a new supply chain network and explored other avenues such as e-commerce and directly imported products from overseas suppliers. Moving forward, AEON will continue to explore other digital means to meet its objectives and support local products in the face of challenges and limitations brought about by the pandemic.

Procurement Details	2021	2020	2019
Total no. of local suppliers (active)	1,886	1,445	1,758
Amount spent on local procurement (RM'billion)	4.10	4.58	4.57

3. SUPPORTING SMALL AND MEDIUM ENTERPRISES (SMEs) GRI 203-1, 203-2

Many entrepreneurs faced challenging times due to the restrictions that came with the MCO. As such, the Government initiated several incentives and opportunities to support entrepreneurs who were financially struggling to stay afloat. In support of local SMEs, AEON partnered up with various ministries and organisations to lend a hand to these SMEs by providing a marketing platform or promoting locally made products throughout all AEON outlets nationwide.

3.1 Kempen Beli Barangan Malaysia (KBBM)

AEON launched a 'Kempen Beli Barangan Malaysia' (Buy Malaysian Products Campaign) or 'KBBM 2021 @AEON' in collaboration with the Ministry of Domestic Trade and Consumer Affairs. The objective of this campaign is to promote local products in order to increase local demand during the pandemic.



3.2 Berkat Korban 2.0

AEON once again collaborated with the Ruminant Transformation Group (GTR) to organise 'Berkat Korban 2.0' for Muslims celebrating Hari Raya Aidiladha. The initiative provided the opportunity and convenience for Muslims in Malaysia to perform 'ibadah korban' despite the challenges in adapting to the new normal.



3.3 Jualan Terus Dari Ladang (JTDL)

JTDL is an initiative by the Ministry of Agriculture and Food Industry (MAFI) through the Federal Agricultural Marketing Authority (FAMA) to assist people living in urban and rural areas to address the impact of the rising cost of living.

The objectives of the initiative are to provide opportunities to entrepreneurs consisting of farmers and partner marketers to directly market agricultural produce to consumers as means to generate additional income. Consumers in turn benefit in terms of savings through more affordable prices and fresh quality products from the field. Producers also benefit from this programme by minimising costs due to the reduction of the reliance on intermediary layers in the agricultural produce supply chain.



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3.4 Building a Stronger Entrepreneurship Ecosystem

In FY2021, we set out to continue our efforts to opportunistically develop entrepreneurship capabilities. We casted our net as wide as possible to source external opportunities, with outside partners, and internal prospects within the AEON ecosystem. The goal is to create conditions in which new business models and entrepreneurial initiatives are actively supported and proven scalable within the AEON ecosystem.

2021 saw the signing of a public Memorandum of Understanding (MoU) with Magnovas Sdn. Bhd. (Rora Rona Rasa) which encompasses future collaboration in joint marketing, co-development of a nationwide dropshipping network, as well as co-creation initiatives with our in-house Delicatessen brand.

FY2021 also saw a flagship collaboration between AEON and Mamasab International Sdn Bhd, one of Malaysia's largest dropshipping networks, focused on baked goods, snacks and Ready to Cook (RTC) SKUs. In this collaboration, we developed and launched a co-branded series of SKUs to be sold by Mamasab agents throughout the country. To date, AEON and Mamasab have delivered more than a million sushi rolls, donuts, cinnamon rolls, pretzels and takoyaki to customers all over Malaysia.

These initiatives are in line with our strategy to openly engage with new entrepreneurial models on the market, seeking to learn from them and scale their success in full synergy with the AEON ecosystem.

4. DIGITALISATION

GRI 418-1

In keeping with the ever-changing trends and demands of customers and the challenges presented due to the COVID-19 pandemic, AEON made further advancements in embracing new technology and methods to ensure sustainable growth in the business and to maintain its position in the retail industry. This year, AEON adopted several new platforms for customers and partners into the Company's ecosystem.

4.1 For Customers or AEON-to-Customers (A2C), we have implemented the following solutions:

- **myAEON2go for Grocery Needs**

myAEON2go is an online service that allows customers to order from a wide range of groceries and products from the comfort of their home, delivered right to their doorstep. This enabled AEON to be more accessible to customers and was most helpful especially during the MCO restrictions as it was essential to many who wished to avoid exposure to COVID-19.

The myAEON2go platform is supported by more than 150 AEON Riders who delivered more than 500 orders a day in the year under review. We incentivised the riders by paying additional incentives for every ride on top of their monthly salary and other incentives.

- **myAEON Lifestyle for our GMS Products**

myAEON Lifestyle was also a new undertaking for AEON this year that increased our digital presence. Shoppers could use this online shopping platform to purchase from our lifestyle selections including electronic appliances, apparel, skincare, and beauty products. The site also featured offers and promotions that were updated on a regular basis.

- **Cashless Stores with Scan and Go Features**

AEON's latest addition Komai-so, is Japan-inspired but adapted to suit localised Malaysian taste and is Malaysia's first digital flat-price store. Shoppers can experience a new way to shop for products including snacks, freshly made food, home furnishings, DIY fragrance, fashion accessories, beauty tools, and gift items. With its easy, contactless, scan and go payment system, customers can pay for purchases securely. To date, there are four Komai-so outlets in: AEON Mall Bandaraya Melaka, AEON Taman Maluri Shopping Centre, AEON Mall Metro Prima, and AEON Mall Cheras Selatan.



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- Providing More e-wallet Options**
 In 2021, we started accepting Grabpay as an additional e-wallet payment method, in addition to other popular e-wallets such as Alipay, GrabPay, WeChat China, Maybank QRPay and AEON Wallet. Grabpay is now accepted at all AEON Stores, including AEON Maxvalu, AEON Wellness and Daiso.
- AEON Member Plus Card**
 As of end 2021, AEON Member Plus (AMP), a membership programme AEON undertakes together with AEON Credit Service (M) Berhad now has 2.2 million cardholders compared to 1.9 million in 2020. The main features of the AMP are points collection, special deals and free parking for the first two hours at any AEON Malls. The presence of AEON Stores in almost every state and the promotion of the loyalty programme, weekly and monthly promotions including e-vouchers has helped to boost the number of cardholders. The AMP can be utilised at all AEON outlets, AEON Wellness and AEON Maxvalu stores.
- iAEON App**
 To bring a tailored experience to our customers that is in tandem with the current digital expansion, AEON has introduced iAEON Application (iAEON App), a rename of myAEONworld Application which was launched in 2020. iAEON App is a personalised digital lifestyle platform that uses the latest technology to be judicious in such descriptions to cater to evolving customer behaviours and provides for improved digital communication method. This platform is an inclusive open-looped application in AEON's ecosystem that connects the dots to reach more touchpoints in customers' daily journey.

4.2 For Business Partners or AEON-to-Partners (A2P) we implemented the following solutions:

- iAEON POS System**
 As part of our ongoing efforts to modernise and transform our operations, we are developing and launching a brand-new POS system. Powered by modern Android devices and high availability hybrid cloud systems, our POS systems will leverage open source technologies to enable us to quickly build new capabilities and adapt to our digital ecosystem. The POS will come in a variety of formats for customers including self-checkout terminals, self-checkout (scan and go) via mobile applications, and traditional Cashier POS formats.

- AEON Makan**

Launched as a digital initiative to improve customer accessibility to AEON's shopping ecosystem, AEON Makan is a one stop delivery platform for customers to order F&B items from AEON Delicatessen and our F&B Tenant Partners.

AEON Makan seeks to bring on-demand food delivery and ordering to our customer's fingertips. Using the system, customers are able to view vast food offerings and get them to be delivered right to their doorstep by our riders. Customers will also be able to use AEON Makan to order on the go and pickup food when they are ready, providing better integration with today's busy lifestyle.

This digital platform has helped to improve our online presence as well as that of our F&B tenant partners and SMEs doing business within our area of operations.

5. DATA GOVERNANCE AND SECURITY

GRI 418-1

- AEON Policy on Data Governance and IT Security**

In order to provide better integration between business units and improve data capabilities, AEON has upgraded its data governance capabilities and IT security by better integrating the various data sources within the Company. The initiative will bring various benefits in data accessibility and standardisation which enables the decision-makers to make analytical, data-driven decisions at a Company-wide level.

- Initiatives to Improve IT Security**

With an eye on ensuring that AEON is well equipped to face the increasing threats posed in the digital age, AEON has implemented a complete network monitoring stack to ensure data security is enforced throughout the organisation. Following this, AEON has tapped on the technical know-hows of tech-security industry leaders. The Company is confident that it will be better protect AEON against malicious attacks from threat actors.



Sustainability Statement



6. GOVERNANCE, ETHICS AND INTEGRITY GRI 205-2

6.1 AEON CODE OF ETHICS (ACOC)

AEON believes investing time and effort with AEON People, suppliers and business partners is important to maintaining a healthy business relationship. As such, the 'AEONs Supplier's Code of Ethics' and 'Policy on Gifts' provided clear guidelines and ethics on proper corporate behaviour and integrity which is practised with everyone who works in and with AEON. The Company does not tolerate any form of misconduct and appropriate action will be taken against any wrongdoings. Any AEON People, suppliers, business partners and anyone within the AEON ecosystem found to breach the ACOC Policy, are to be reported immediately by anyone who has the information through our Whistleblowing channel and/or ACOC.

6.2 MACC Declaration and Signing of the Corruption-Free Pledge Programme (IKRAR BEBAS RASUAH – IBR)

With the enforcement of the Corporate Liability provision under the Malaysian Anti-Corruption Commission (MACC) Act 17A, AEON is committed and continuously improving our processes and procedures to prevent corruption and unethical practices at our workplace. To demonstrate the top management's commitment, AEON participated in the MACC Declaration and Signing of the Corruption-Free Pledge (IKRAR BEBAS RASUAH – IBR) Programme for the corporate sector, on 20 October 2021. The hybrid event was witnessed by the Deputy Commissioner Datuk Razim Mohd Noor, Director of the Community Education Division, MACC, the ceremony was led by our MD/CEO together with approximately 200 AEON People, consisting of top and middle management, as well as store and mall managers of AEON. AEON will continue to promote the values of good governance and transparency towards realising the Company's vision and mission, making AEON a corruption-free organisation. AEON will also continue to inculcate its policy of zero-tolerance towards corrupt behaviour and misconduct within the AEON ecosystem.

6.3 PROJECT TRUST – Strengthening AEON Enterprise Risk Management (ERM) model encompassing risk management, business continuity management (BCM) and Anti-Bribery and Anti-Corruption (ABAC)

AEON's risk dynamic was put to test during the pandemic where the Government's policies and regulations surfaced new threats and opportunities for AEON's business. To ensure an effective and resilient operating environment, AEON embraced the pandemic situation to evaluate the effectiveness of our ERM framework, our readiness in terms of business continuity management and continued to govern the business

with good ethics and values with the implementation of Project TRUST. In order to deliver an effective and structured approach, AEON engaged a governance advisory firm to perform the professional review, assessment and proposal of new revisions related to industry best practice and ISO standards.

The engagement included and was not limited to reviewing the ERM framework, processes, formalising the governance structure to align with the new organisation structure, reorganising of risk registers and the embedding of risk mindset and culture. As for BCM, the focus was on establishing a clear business continuity plan (BCP) to address various operational disruptions, developing a disaster recovery plan (DRP) and performing DR testing scenarios, while realigning crisis communication plans. To strengthen our ABAC policies and governance, the firm helped to develop an integrity manual consisting of the framework, governance structure, specific corruption risk management (CRM) risk scorecards and an organisational anti-corruption plan (OACP). The outcome of Project TRUST is to cultivate a holistic approach to ERM, BCM and ABAC by consolidating these processes into one ERM model aligning to AEON's transformation, strategy, and culture. We expect to complete the PROJECT TRUST deliverables tentatively by the first half of 2022.

6.4 PROJECT CARA – Identifying process gaps, re-evaluation of current business processes and procedures, and reviewing and reorganising Standard Operating Procedures (SOP)

With the AEON Strategy Playbook incorporating the diversification and transformational business model, we need to implement strong controls and monitoring tools to cater to business needs. To address operational needs and to support our business in the journey towards building new businesses, PROJECT CARA was set in motion to assist business units at the strategic level to assess current business processes and procedures via the reviewing and updating of SOPs to align with AEON's objective to digitalise our process. In addition to embracing digitalisation as part of the governance footprint, we digitised all hardcopy SOPs and set up a one-stop digital library and dashboard accessible by all AEON People through the "CARA" portal application. By utilising the CARA platform, SOP storing, reviewing, updating, and sharing is effective and on a real-time basis. The CARA portal also allows auto-tracking of users and a timeline of who have reviewed, updated, and approved the SOPs for future checking and audit purposes.

Sustainability Statement

OUR ECONOMIC INITIATIVES:

GRI 203-1, 203-2, 205-2

AEON x Boxed

27 January – AEON signed an agreement with Boxed, an e-commerce Company based in New York, US, to leverage its state-of-the-art technology to accelerate AEON’s digitalisation expansion and new retail offering. The Boxed technology and platform will support AEON’s transformation journey that will be beneficial to AEON’s ecosystem including suppliers, tenant partners and ultimately the customers. At the signing ceremony, Boxed was represented by Chieh Huang, CEO while AEON was represented by Shafie Shamsuddin, MD/CEO.



AEON Launched ‘SAMBADO Challenge’ with Alif Satar

10 February - The spread of COVID-19 has adversely impacted the lives of many Malaysians from social and economic aspects. In the effort to help those affected by the pandemic, AEON launched a ‘SAMBADO Challenge’ in collaboration with Alif Satar, a renowned local celebrity through the sale of Nasi Ayam SAMBADO. The Nasi Ayam SAMBADO was available at AEON outlets nationwide for customers to savour. At the same time they were given the opportunity to make donations to those in need through the purchase of the dish prepared using Alif Satar’s own special recipe.



Bazar Selebriti

10 April 2021 – AEON Mall Shah Alam hosted a Bazar Selebriti at the Centre Court starting today which lasted the whole month of Ramadan in collaboration with leading celebrities namely Nabil Ahmad, Dato’ Norman KRU, Rabbani, Rozita Che Wan, Saharul Ridzuan and Siti Nordiana.

The programme was organised to celebrate the creativity and product inventions of the local celebrities. It also provided cross-promotions with their followers for the mall and the opportunities for them to further develop their entrepreneurial skills.



Ramadan-Raya Bersama AEON

8 April - AEON played its role in enhancing the spirit of togetherness in conjunction with the holy month of Ramadan and Raya celebration. The Ramadan-Raya campaign was launched at AEON Mall Shah Alam themed ‘Raikan Dengan Kesyukuran’ with a fashion show featuring AEON in-house brands such as Puteri, Inner Casual, Scarlet Plus etc. It was styled by the country’s renowned fashion designers, Calvin Thoo and Salikin Sidek while the make-up was sponsored by i Style Academy.



KBBM@AEON

8 September - AEON launched a ‘Kempen Beli Barangan Malaysia’ (Buy Malaysian Products Campaign) or ‘KBBM 2021 @AEON’ in collaboration with the Domestic Trade and Consumer Affairs Ministry (KPDNHEP). The objective of this campaign is to highlight special promotions on local products, to boost the nation’s economy as well as local entrepreneurship. The virtual launch was officiated by Datuk Hasnol Zam Zam Ahmad, Director General of KPDNHEP in the presence of Shafie Shamsuddin, MD/CEO of AEON.

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Komai-so Opens Its First Outlet

30 September – Komai-so, the digital flat-price store by AEON launched its first outlet located at AEON Mall Bandaraya Melaka. It was officiated by Sunny Setiawan, Chief Operating Officer of AEON. Komai-so offers three price options for its products; RM2.50, RM5.00 and RM10.00. Komai-so features a digital cashless Japan-inspired lifestyle infused with Malaysian taste offering snacks, home fashion, beauty and fragrance, and gift items. The Scan and Go facility can be utilised via iAEON App, where customers do not have to worry of long queues at cashier counters.



DAISO Tropicana Gardens Mall

8 October – DAISO launched its 42nd store today at Tropicana Gardens Mall in Petaling Jaya, Selangor. DAISO is one of AEON's chain of stores which offers wide variety of exclusive, trendy and practical household and living concept items at flat-price in meeting the varied needs of our customers. Officiated by Sunny Setiawan, COO of AEON, the event was also attended by Mabel Tan, General Manager Leasing, Tropicana Gardens Mall and Asuka Yashiro, Senior Manager of DAISO together with the DAISO employees.



BeauSiti Roadtour

26 November – AEON Mall Bandaraya Melaka hosted the inaugural BeauSiti Roadtour on 26 – 28 November 2021 where founder and legendary artiste, Dato' Sri Siti Nurhaliza made an appearance to launch her beauty brand, giving her fans the opportunity to meet her face-to-face. The event was also attended by Sunny Setiawan, Chief Operating Officer of AEON and Low Ngai Yuen, Chief Merchandising and Marketing Officer of AEON.



Scarlet x Steven Sunny: Inspiring Individuality

10 December – AEON broke new ground with its collaboration between its own long time successful cross-generational brand, Scarlet, with the much sought after and celebrated fashion stylist, Steven Sunny at an intimate session preview held at AEON Mid Valley Megamall, Kuala Lumpur.

Boldly themed #OwnWhatYouWear, the collaboration features 10 variations of Scarlet's year end season arrivals. It is part of the integral plan of AEON's CHERISH campaign that celebrates resilience and gratitude with all Malaysians looking forward, revering and appreciating what matters most in our lives.

The ceremony was graced by Sunny Setiawan, Chief Operating Officer of AEON and Low Ngai Yuen, Chief Merchandising and Marketing Officer of AEON, alongside media partners and influencers.

There were also additional on-site demonstrations of putting together the season's ideas with makeup partner, Shiseido. A total of 100 delicate, hand-made limited edition of Scarlet x Steven Sunny creations could be purchased affordably online and at AEON Taman Maluri Shopping Centre, AEON Mall Shah Alam or AEON Bandar Utama.

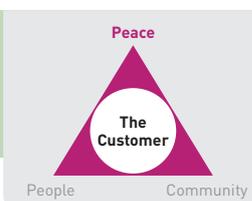
AEON Harga Jamin – A 'Selamat & Jimat' Campaign

14 December 2021 – 22 February 2022 – The 'Selamat & Jimat' Campaign consists of two pillars, which are 'AEON Harga Jamin' and 'AEON Jaguh Perlindungan', both aimed at helping our customers. AEON Harga Jamin offers protection and price guarantees of more than 500 daily essential items, such as vegetables, rice, cooking oil and fresh chicken eggs, to help customers reduce their daily living expenses.

On the other hand, AEON Jaguh Perlindungan is a promise of AEON's commitment to providing the best service and ensuring customers always have a pleasant shopping experience in a safe environment during the pandemic. This is demonstrated through the full vaccination of AEON People, ensuring SOPs are always observed and regularly sanitising and disinfecting AEON premises.



Sustainability Statement



At AEON, we are fully determined to do all we can to protect the planet through sustainable consumption of resources and implementing climate change action. We are aware that immediate action is crucial to ensure the continued prosperity of current and future generations. Besides efforts to conserve energy and water consumption, AEON has recently begun contributing to the transition to a low-carbon economy with the installation of solar panels on the rooftops of its malls. We are also passionate about reducing our food waste, preserving biodiversity and increasing awareness about environmental issues amongst the younger generation.

1. ENVIRONMENTAL STEWARDSHIP

1.1 Climate Change and Environmental Management

We are aware that our operations may contribute to climate change in the course of our business operations. In particular, we are conscious of our contribution to greenhouse gas (GHG) emissions. AEON is committed to reducing emissions and will continue to explore relevant technology to improve our manufacturing processes in a more eco-friendly manner. The Board has oversight on climate change as it is a vital issue to the Company.

- Energy Consumption**

GRI 302-1, 302-4

AEON's Facility Department has clear guidelines on the management of electricity, especially air-conditioning throughout all AEON shopping malls.

To be more responsible in managing our consumption of electricity, we adopted best industry practices such as ensuring air-conditioning is set to an optimal temperature and only activating the air-conditioning during business hours. We have also reduced the number of lights switched on during non-business hours and increased the number of LED light fittings in our premises to conserve energy. We have a team of experienced and capable technicians who carry out daily monitoring, guided by a comprehensive checklist to ensure our energy usage is well managed.

In 2021, we collaborated with Malakoff Radiance Sdn Bhd to install rooftop solar panels at AEON Taman Maluri Shopping Centre. The solar panels will generate approximately 2,797 MWh, contributing to 13% to 15% of the shopping centre's electricity consumption.

Through these energy saving measures practiced in 2021, AEON recorded savings of RM28.9 million. This is equivalent to lower usage of 32.7 million kWh and equates to a reduction in CO₂ of 20,909 tonnes. Electricity consumption (kWh) is lower this year in comparison to 2020 due to prudent usage and lower usage by tenants during the COVID-19 pandemic.

The following table illustrates AEON's annual energy savings:

Energy Savings System 2021 (17 Malls)

Total Bill Before Saving (RM)	Total Bill After Saving (RM)	Savings (RM)	%
117,313,914	88,406,153	28,907,761	25

The table below shows the annual energy consumption at AEON's 28 malls and six standalone stores:

Annual Electricity Consumption – 28 malls and six standalone stores (total 34)

Year	Total kWh ('000)	Cost (RM Million)	CO ₂ (Tonnes)
2021	407,141	148,606	260,164
2020	439,863	160,550	281,073
2019	540,032	197,112	345,081

Remarks:

Figures in 2021 are lower due to the following reasons:

- Shorter business hours during MCO
- Less usage by tenants as only selected businesses were allowed to operate
- Careful usage of lighting and air-conditioning during Movement Control Order and non-business hours.

The Company also plans to utilise Energy Efficiency equipment to achieve higher energy savings in our objective to be cost efficient.

Moving forward, our Facility Department and expert technicians will continue to review, monitor, and manage electricity usage while implementing a Solar Photovoltaic (PV) system and Energy Efficiency system in our malls.

Sustainability Statement

• Water Consumption

GRI 303-5

As fresh and clean water is a limited natural resource that increases in cost over time, AEON strives to explore other avenues to conserve water more efficiently and reducing unnecessary usage or by creating awareness among shoppers.

AEON's total consumption of water in the year 2021 was reduced by 116,000 m³, 2.72% lower than the previous year. This resulted in savings of about RM312,000 for AEON in 2021.

The following table indicates the annual water consumption at AEON's 28 malls and six standalone stores:

Annual Water Consumption

Year	Total m ³ ('000)	Cost (RM '000)	Remarks:
2021	4,143	10,152	Water consumption in 2021 is lower due to: 1. Less usage by F&B tenants during Movement Control Order. 2. Reduction in internal cleaning work in the building. 3. Prudent usage of water.
2020	4,259	10,464	
2019	4,974	11,942	

• Waste Management

306-2, 306-4

As AEON operations generate a sizeable amount of food and non-food surplus in the form of perishable items, processed food and bakery products, among others, we continue to look into new ways to strengthen our initiatives in managing our waste such as converting waste into energy (fertilisers/ composting).

For food waste management, AEON strives to reduce the amount of avoidable food waste through proactive measures, in line with KPDNHEP who has urged industries to reduce food wastage by sharing extra food with the needy. In this regard, we support by Kechara Soup Kitchen (Kechara), a non-Governmental organisation (NGO) who provides food to the homeless. Unsold and edible food is collected from AEON's bakery, produce and fruits section by Kechara and distributed through its structured logistics network to needy communities. A total of 24,426 kg of food surplus was collected 34 AEON Stores nationwide and re-distributed in 2021.



• Paper Printing

Our employees are always reminded to play a part in the commitment of the Company towards conserving the environment. Employees are encouraged to exercise prudent usage of paper by printing in black and white only, using double-sided printouts whenever possible and to recycle paper.

1.2 PRESERVING BIODIVERSITY

We believe that it is our responsibility to preserve biodiversity. Over the years, AEON has committed to several initiatives to sustain and conserve the environment. However, due to the pandemic, we were unable to implement any new initiatives in 2021. We plan to organise more activities in 2022 as we strive to instil a strong sense of environmental awareness among the younger generation and promote healthy and interactive green living as a way to give back to the community we work and live in.

1.3 EXPANDING OUR GREEN FOOTPRINT

AEON's Green Plastic Partnership with Tupperware

In its effort to continue advocating sustainability in the environment, AEON partnered with Tupperware Brands Malaysia Sdn. Bhd. by launching its exclusive loyalty programme by bringing in Tupperware's eco-friendly home products for the enjoyment of its customers. The programme ran from 24 September 2021 to 23 January 2022 and gave customers the opportunity to own homeware such as eco water bottles, lunch boxes and canisters made of eco-friendly, premium plastic grade materials.

AEON Alpha Angle Embraces Sustainability

AEON Alpha Angle eco-friendly facelift brings the concept of IDEA to life. It aims to provide a seamless and immersive shopping experience for all visitors, coupled with sustainability initiatives such as vertical farming, recycling, integrated waste management and much more. It also emphasises inclusivity by providing for the needs of all generations and adopting an open-loop ecosystem that makes it easier for local businesses to join the AEON family. It will also include the installation of solar powered panels.

Sustainability Statement

OUR ENVIRONMENTAL INITIATIVES:

GRI 306-2

Signing of Solar Energy System Agreement

5 May - AEON and Malakoff Radiance Sdn. Bhd. (Malakoff Radiance), a subsidiary of Malakoff Corporation Berhad (Malakoff) signed a Solar Power Purchase Agreement (SPPA) at AEON Taman Maluri Shopping Centre, Kuala Lumpur for the development and usage of solar energy system. The signing was formalised by Anwar Syahrin Abdul Ajib, MD/CEO of Malakoff and Shafie Shamsuddin, MD/ CEO of AEON.



AEON x Tupperware

24 September - AEON continued its sustainability journey by embarking on an exclusive customer loyalty programme in collaboration with Tupperware Brands Malaysia Sdn. Bhd. (Tupperware). This collaboration demonstrated AEON's commitment in integrating environment sustainability initiative into our core business activities and continue promoting green living.

Through this programme, customers had the opportunity to own attractive Tupperware eco-friendly home products by redeeming them with stamps that could be collected when shopping at AEON.

The hybrid launch event held at AEON Taman Maluri Shopping Centre, Kuala Lumpur and via Facebook Live was enlivened by TV, radio personality and celebrity chef, Abang Brian. Also present at the event were Shafie Shamsuddin, MD/CEO of AEON, Tsutomu Motomura, Deputy MD of AEON; Lily Loo, MD of Tupperware and Daisuke Maeda, MD of AEON Credit Service (M) Berhad.



AEON Alpha Angle Undergoes Transformation

18 November - After almost 30 years of operation with full support from its loyal customers, AEON Alpha Angle in Wangsa Maju, Kuala Lumpur commenced its renovation and upgrading exercise. Officiated by Shafie Shamsuddin, MD/CEO of AEON, the groundbreaking ceremony was also attended by AEON People, employees, contractors and consultants.

AEON will apply the concept of Inclusive, Digital and Experiential @ AEON or IDEA which emphasises the inclusivity of the ecosystem, digitalisation and the latest technologies offering a seamless shopping experience in providing for the needs of customers, business partners and greater community. This project is an important milestone in our overall transformation strategy.

AEON Alpha Angle is also envisioned as an open-loop ecosystem that welcomes local businesses to AEON ecosystem. The transformation also includes the installation of solar power panels which will make AEON Alpha Angle as the second AEON outlet to utilise solar power after AEON Taman Maluri Shopping Centre, Kuala Lumpur. AEON Alpha Angle is located within the Wangsa Maju area which has been identified by the Kuala Lumpur City Hall (DBKL) as the first location for the zero-carbon township initiative which further strengthens AEON's aspiration in ensuring environmental sustainability.



'Jom e-Waste Fiesta'

GRI 306-2, 306-4

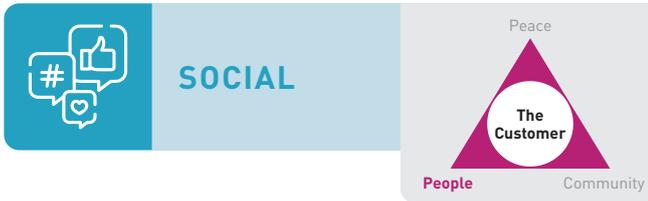
27 November - AEON Mall AU2, Kuala Lumpur hosted the launch of 'Jom e-Waste Fiesta', a programme organised by Department of Environment under the Ministry of Environment and Water (KASA), Malaysia.



Electronic appliances and gadgets such as televisions, washing machines, refrigerators, laptops, mobile phones, and batteries that are worn out or have outlived their use, pose a risk to humans and the environment if not disposed properly as they contain chemicals and release toxins that are harmful.

The objective of 'Jom e-Waste Fiesta' is to enhance and increase public awareness and knowledge of proper handling, recycling and disposal of expired electrical appliances. Datuk Wan Abdul Latiff Wan Jaffar, Director General of KASA officiated the ceremony and he was received by Dr. Kasuma Satria Mat Jadi, Chief Human Resources Officer.

Sustainability Statement



OUR PEOPLE

AEON People are our greatest assets and as such we are compelled to ensuring their safety, health and wellbeing as well as providing a conducive workplace in where they can thrive. At AEON, we have a comprehensive Learning and Development programme, which is further bolstered by our ongoing talent management and development to drive our own competitiveness and to identify a healthy pipeline of future leaders. We also closely monitor the performance of our employees and constantly engage with them to better understand their needs. The Company is also concerned about the health and safety of our employees by ensuring they are given training about fire safety as well as first-aid skills. We also uphold diversity, equity and inclusivity within our recruitment practices.



1. LABOUR PRACTICES

GRI 402-1

1.1 Talent Management and Development

GRI 404-2, 404-3

In 2021, we continued to push ahead with our ongoing Talent and Development programmes such as the AEON Executive Leadership Mentoring Programme and talent review process.

The AEON Executive Leadership Mentoring Programme sees the participation of seven mentors comprising the AEON Leadership Council who are responsible for mentoring 16 mentees from the Agile Leadership Team (ALT) under Phase 1 of the programme. With Phase 1 now nearing completion, Phase 2 is expected to commence in 2022 where the ALT will start mentoring the Heads of Departments (HOD). Phase 3 will then see the HODs mentoring high potential staff who were identified through our talent review process.

- **Learning and Development**

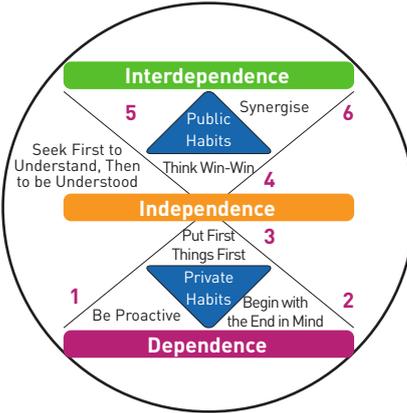
Employee training is an essential part of any successful organisation. Training has positive impacts on employee satisfaction, performance and retention. By training our employees well, we enable them to reach their full potential, which makes our organisation more competitive. In the broader context, the skills we give our employees help them to find their place in AEON's rapidly developing ecosystem.

The Company is committed to ensuring our employees receive sufficient training to ensure that we remain competitive within a tough retail environment. In the year under review, we conducted a range of training programmes and introduced other initiatives to support our employees, investing over RM150,000 in various learning and development programmes to upskill and reskill our employees. Due to the pandemic, some of the programmes were conducted online or in a hybrid format.



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In 2021, almost 2,500 participants spent 18,504 man-hours in 34 training programmes. The comparatively higher number of training hours in 2021 was due to increased hiring and a higher proportion of new hires being fresh graduates. Training programmes held during the year for new and existing staff are generally short-term with one- or two-day programmes, in order to quickly build knowledge and close the gap between expectations and current performance.

Initiative	Progress/Outcome																			
<p>(i) Agile, Genba, Entrepreneurial Programme</p> <p>7 Habits Programme conducted via Zoom platform by a leadership resources training provider.</p> <p>Objective of the Programme:</p> <ul style="list-style-type: none"> To develop increased maturity, greater productivity, and the ability to manage one's self To increase team engagement, morale, and collaboration To create a framework for developing core values and creating a highly effective culture 	<ul style="list-style-type: none"> In total, 180 leaders participated in the programme and were divided into 7 groups. Training was conducted remotely for two days with a follow up session a week later. Participants were taught to embrace Stephen Covey's 7 habits of highly effective people. 																			
<p>(ii) Management Trainee/Retail Trainee</p> <p>This year's intake focused on training trainees for the Delica, Sushi and the Customer Care Department.</p>	<p>55 trainees were enrolled for this six-month programme which will end in June 2022.</p> <table border="1" data-bbox="699 1070 1473 1317"> <thead> <tr> <th>MyBonding Residential Orientation</th> <th>MyExperience On-Job Training 60%</th> <th>MyLearning Hunt Off-Job Training 30%</th> <th>MyReflection On-Job Training 10%</th> </tr> </thead> <tbody> <tr> <td>3D2N</td> <td>Delica</td> <td rowspan="2">Hybrid Learning Fundamental AEON modules/New Retail modules</td> <td>Buddy, Coaching and Mentoring</td> </tr> <tr> <td>External venue</td> <td>Sushi</td> <td>Mini Project Paper and presentation</td> </tr> <tr> <td></td> <td>Cashier</td> <td>Learning Review</td> <td>Graduation</td> </tr> <tr> <td></td> <td></td> <td></td> <td>What's Next? Career Development</td> </tr> </tbody> </table>	MyBonding Residential Orientation	MyExperience On-Job Training 60%	MyLearning Hunt Off-Job Training 30%	MyReflection On-Job Training 10%	3D2N	Delica	Hybrid Learning Fundamental AEON modules/New Retail modules	Buddy, Coaching and Mentoring	External venue	Sushi	Mini Project Paper and presentation		Cashier	Learning Review	Graduation				What's Next? Career Development
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External venue	Sushi		Mini Project Paper and presentation																	
	Cashier	Learning Review	Graduation																	
			What's Next? Career Development																	
<p>(iii) Buddy Programme to ensure new recruits are comprehensively onboarded</p> <p>Objective:</p> <ul style="list-style-type: none"> First impression is important. Make them feel welcome Integration into AEON culture and DNA Higher Employee Retention 	<p>Kicked off in October 2021 with 12 pairs of buddies in place.</p> <p>Target Group: New hires who are in the ALT Group Programme duration: 60 days</p> <p>Summary: January 2022 - 3 new joiners February 2022 - 4 new joiners</p>																			
<p>(iv) 1-minute Educational Video Programme <i>(about the latest guidelines, news and updates)</i></p> <p>Objective:</p> <ul style="list-style-type: none"> To educate or teach a skill in an easy way without involving complicated processes To educate employees regarding their daily tasks in a 60-second video 	<ul style="list-style-type: none"> Kicked off in June 2021, we currently have 32 videos that can be accessed in the iAEON App. The video was created by the Learning and Development team in collaboration with operations staff. Skills trainers used the video for refresher training for skills audit and some operation leaders shared the videos among employees. Plan to do more educational videos as a kick start for the E-Learning / Remote education for employees. 																			
<p>(v) 1E + 3 R Skills Programme <i>(Education, Review, Realign and Restructure)</i></p> <p>Objective:</p> <ul style="list-style-type: none"> To realign skills level with employee positions and grades To educate skilled employees via digitalisation in line with the Company's direction To identify skills leaders to be groomed for the next level 	<p>Refresher training for 1,085 employees from various AEON departments was completed in October 2021. Following that, a skills audit for 909 employees was also conducted.</p> <ul style="list-style-type: none"> Refresher training: To educate the employees before the commencement of the audit. Knowledge Test: Employees will sit for an e-test HR-related, hygiene and department-related questions. Practical Test: Will be conducted by skills trainers in the production area. 																			

Sustainability Statement

Initiative	Progress/Outcome
(vi) Baby Advisor Certification Programme	
<p>The programme aims to cascade learning techniques and best practices from Japan to employees in the Baby and Kids Department.</p> <p>Objectives:</p> <ul style="list-style-type: none"> • Cascade the Japan learning technique to internal employees • Develop new trainers inside the department • Enhance the knowledge of Baby Products to the operations team • To produce Team Leaders and deliver best service to customers. 	<p>Under Phase 1, nine employees from Klang Valley stores underwent six modules of training conducted by Japan-Certified Baby Advisor Trainers. Phase 2 of the programme will involve training merchandisers.</p> <p>Effectiveness of the programme:</p> <ul style="list-style-type: none"> • Team Leader has a better understanding about how to run the department. • To have more confidence when facing customers with all product knowledge and services. • To train their subordinates on how to run operations in the future.
(vii) PENJANA 3.0 Hiring Incentive and Training Programme	
<ul style="list-style-type: none"> • To provide employment opportunities for unemployed Malaysians and equip them with necessary skills and knowledge needed • To provide opportunities for affected training providers to boost their economy • Building more skilled and knowledgeable employees and thus, strengthen the employer brand 	<p>Engaged with two training providers for training of employees Grade J3 and below, and Grade M1 and above. The first batch of training for Grade J3 and below commenced in January – April 2022.</p>
(viii) myAEONspeaks	
<p>Objective:</p> <ul style="list-style-type: none"> • Upskilling for AEON People by helping them learn essential skills through practical learning workshops and exposure to external speakers • #OneAEON - Encourage closer collaboration between existing business model and new business model • Upgrade AEON's image as a great place to work and build your career 	<p>Description</p> <ul style="list-style-type: none"> • Invite speakers internal / external to share their success stories <ul style="list-style-type: none"> - Khairul Aming session completed in 2021 - Planned for Dato' Jovian Mandagie's session - Dedicated space for myAEONspeaks <p>Delivery methods</p> <ul style="list-style-type: none"> • Instructor Led Training (Face to face session) • Remote Online Learning (Live Talk Show) • Hybrid

- **AEON Skills Training Centre (ASTC)**

ASTC focuses on skill development for AEON People in the food production and perishables divisions. This serves as our response to stores' operations needs and increased customer demands for more variety, better quality and fresher bakery and delicatessen products, as well as fresh produce.

The ASTC has since produced 118 graduates, with 96 from the AEON Bakery School and 22 from AEON Delica School. All graduates have since been absorbed as permanent employees of AEON, and we have begun training the sixth batch of 13 candidates in 2021.

In 2021, we targeted to recruit two batches of Bakery students and two batches of Delica students to support our operational needs. Unfortunately, due to the pandemic, the Jabatan Pembangunan Kemahiran (JPK) barred the conducting of face-to-face classes. Following approval from JPK to resume classes in February 2022, we have begun a new intake with 12 Bakery students. In 2022, we will kick start our new module for sushi-making which will be integrated with the Delica module.

Sustainability Statement

- **Fostering A High-Performance Culture**

A high-performance culture helps organisations achieve high levels of performance and results consistently over time. AEON views attributes of a high-performance culture as having strong leaders, empowered and engaged employees, continuous learning and employee development as well as openness to change.

Alongside the learning and development training provided to shape this culture, performance reviews and evaluations are conducted to ascertain appropriate merits and rewards are accorded. The reviews and evaluations are conducted quarterly and annually, where Objective Key Results (OKR) are an integral part of assessment tools used, based on the Company's business strategy, focus areas and priorities.

Performance Review Towards Career Enhancement	2021	2020	2019
Employees who are formally appraised (annually)	6,537	7,687	7,296
One-on-one performance review for year-end evaluation	100%	100%	100%

In November 2021, our talent review process was conducted over 148 sessions, involving 74 Heads who identified 250 high potential employees who are management level and above. Besides providing them mentoring support, the review also enables us to understand how to support and contribute to their career development. In 2021, a total of 434 employees were promoted.

1.2 Labour Standards and Regulations

AEON is committed to ensuring its compliance with all applicable laws, regulations and other employment standards such as the National Minimum Wage Policy and Minimum Retirement Age employment guideline in Malaysia. Such information is communicated to employees through internal notices, emails and digitally, via its iAEON App. In 2021, the Industrial Relations Department revised the Industrial Relations Manual and introduced many new practices to improve the process flow of disciplinary proceedings.

In recognising the importance of our employees and to ensure that we always prioritise their welfare, we have adjusted AEON's minimum wage upwards to RM1,500 from RM1,200 a month. Effective from 1 January 2022, it is expected to benefit 2,738 of our employees. We have carried out this move ahead of its official implementation by the Government as we acknowledge the rising cost of living which has affected all Malaysians, including our employees.

- **AEON Code of Conduct (ACOC)**

The ACOC was established as a means to provide more clarity for the 'AEON of the future'. It helps interpret AEON's basic principles to know what actions are required for the benefit of AEON's "customers of the era ahead". The ACOC stipulates the expected standards for corporate behaviour, applicable to the Board, Management, AEON People and related stakeholders. It also provides AEON People a safe platform and channel for whistleblowing to raise concerns in relation to illegal or unethical conduct, sexual or power harassment and other malpractices at the workplace.

There were 37 complaints received in 2021, of which all cases were investigated further and resolved. We treat each case with the highest privacy and confidentiality. All ACOC reports and investigation results were also escalated to our Chief Governance Officer for his review.

Years	No. of cases
2019	97
2020	65
2021	37

The annual ACOC questionnaire survey was conducted in 2021. With a 95% rate of response, it showed areas for further improvement such as awareness of the ACOC Hotline, job satisfaction and education opportunities. ACOC refresher training was also carried out in 2021 for all senior management and employees throughout the organisation. This also provided an opportunity to review survey results and propose improvements. In this context, we have initiated the 'Salam Santai' initiative as a means to obtain further feedback from employees and to share our concerns that complaints submitted to the ACOC channel requires evidence and should not be misused.

Sustainability Statement

2. DIVERSITY AND EQUITY

GRI 102-7, 405-1, 406-1

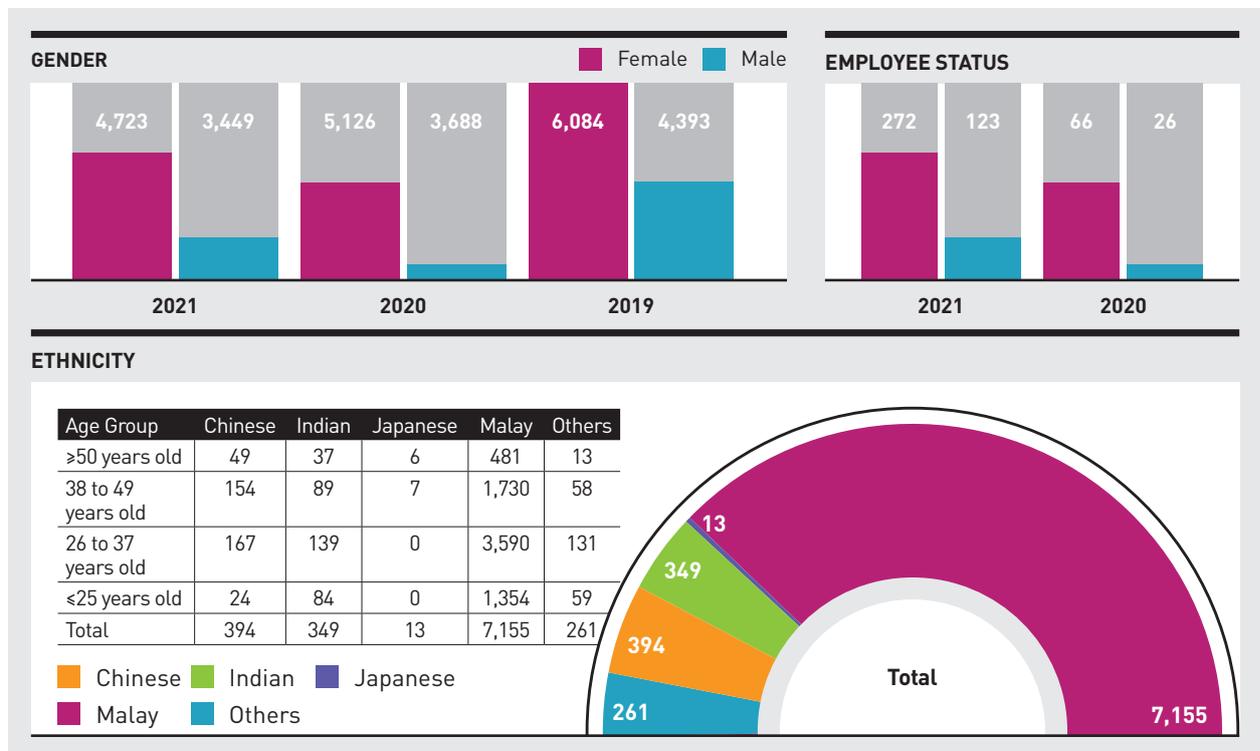
AEON acknowledges diversity as a strength. This is in line with the AEON Basic Principles of respecting and appreciating each individual regardless of their gender, age and background. Having employees of diverse ethnicity and culture, AEON seeks to harness this to further sharpen its business competitive advantage.

The Company offers equitable access to opportunities for training and learning. We also ensure that promotions are accorded fairly and equally based on skills and abilities. All employees are provided a conducive working environment and tools which enable them to perform their tasks to the fullest of their capabilities.

• Workforce Demographics

Women continued to play an important role in AEON representing 58% (4,723) of the Company's total workforce in 2021 of 8,172*. This reflected the Company's commitment and passion towards promoting a gender diverse workforce.

* Excluding Casual, Outsource Contract Workers and Interns.



• Person with Disabilities (PWDs) Programme

AEON's basic principle of providing equitable opportunities for all aligns with the Ministry of Human Resources Malaysia's call for more companies to hire PWDs. AEON's commitment to PWD employment has remained strong despite the pandemic. As at 31 December 2021, the Company provides employment to 115 PWDs, or 1.4% of our workforce.

Years	Number of PWD employed by AEON	Percentage (%) against total number of workforce
2021	115	1.4%
2020	115	1.3%
2019	135	1.3%



In 2021, AEON received the 'Majikan Prihatin' award from the Ministry of Human Resources in recognition of our hiring of PWDs. The award was presented on 4 December 2021 at the Setiawangsa Community Center, Kuala Lumpur, in conjunction with the 'My Future Jobs' Malaysian Family Career Carnival programme jointly organised by SOCSO.

• Prioritising the Welfare of AEON People

In 2021, we continued to provide a range of assistance to support AEON People through the challenges of the pandemic. This included the monthly financial support of RM2,000 for a period of one year to 22 families of employees who passed away due to the virus. For employees who contracted COVID-19, we provided a care pack through the 'Kotak Ceria' programme. In 2021, we also spent a total of RM1.54 million for COVID-19 tests and sanitisation services to keep AEON People safe.

Sustainability Statement

3. HEALTH, SAFETY AND WELLBEING

GRI 403-5, 403-9

Due to the National Security Council (NSC) Standard Operating Procedures that were in force throughout most of 2021, we were not able to conduct physical training sessions which are necessary for subjects such as Occupational Safety and Health as well as Fire Safety. Physical training with a limited number of participants was only allowed from 18 October 2021 onwards with the commencement of the National Recovery Plan (NRP) Phase 4.

3.1 OSH Drills and Training

Training	Description
Fire Safety and Fire Drill	No physical training was permitted by the NSC and the Fire and Rescue Department Malaysia (Bomba). Bomba launched online training sessions only towards the end of the year but we were unable to schedule any training due to the sudden spike in operational activity at the end of the year.
First-Aider Training	No training conducted in 2021 due to the guidelines set by the NSC. As at 31 December 2021, a total of 87 competent first-aiders are still active in AEON.
Safety Training	Conducted training on Safety Audit Checklist with AEON Mall and Store operation leaders on 2, 4, 9 and 10 March 2021. Conducted general safety training with participants of AEON Bakery School on 16 November 2021.

3.2 OSH Performance

	2021	2020	2019
Total Fire Safety Training cost	-	RM25,000	RM160,000
Total OSH Training cost	-	-	RM59,000
Total Fire Safety Training Hours	-	104	696
Total OSH Training Hours	20	39	152
Lost Time Injury (LTI) Rate	0.6	0.6	0.2

3.3 First Aiders On-Sight

AEON First Aider	2021	2020	2019	2018
Stores	43	72	126	131
Shopping Mall	36	66	98	85
AEON Food Processing Centre (AFPC)	-	2	5	6
Headquarters (HQ)	4	10	8	-
Taman Asuhan Kanak-Kanak AEON (TAKA) ASAHI	2	2	-	-
TOTAL	87	152	237	223

3.4 Rasa Sayang AEON Club (RSAC)

This club, registered with the Registrar of Societies, is unique in that its members consist of existing and previous employees of AEON aged 50 years and above. Members are given various gifts, including a loyalty card and a goodie bag of practical household items. The club's Annual General Meeting was held virtually on 24 April 2021.

3.5 Safeguarding Health and Safety Amidst COVID-19

AEON continued to carry out regular sanitisation, deep cleaning and disinfection, temperature checks for both employees and customers and these practises are implemented across all AEON Stores and malls nationwide. For most of the year, employees worked from home and virtual meetings were held whenever possible. We continue to post awareness posters and reminders on social media and in our premises to reinforce the message on safety, cleanliness, and wellbeing.

We have ingrained these strict measures in all our business practises and operations at all our stores and malls to deliver the promise of 'Customer First' philosophy in ensuring the safety, security, and comfort of our customers while shopping at AEON.

COVID-19 Preventive Measures
1. Work from home (rotation based)
2. Mandatory registration in MySejahtera application to facilitate contact tracing
3. Temperature scanning at all entry points at all malls and stores and Home Ground
4. Wearing face mask at all times
5. Maintaining physical distancing
6. Face-to-face meetings replaced with virtual meetings
7. External visitors to scan QR Code to complete health declaration form
8. Adherence to travel restrictions and quarantine requirements
9. Wash or sanitise hands frequently
10. Avoid crowded places and physical gatherings
11. Installation of acrylic panels in cashier counters and stores, customer service centres and meeting rooms in Home Ground
12. Weekly deep cleaning and disinfectants
13. Daily regular sanitation 3 times a day at malls and stores
14. Awareness on SOPs information via videos in stores and via social media

3.6 AEON's Vaccination Programme

AEON Taman Maluri Shopping Centre was the first AEON outlet in the country to achieve full vaccination of its tenants, security and facilities personnel, suppliers and business partners. By 30 August 2021, 1,733 people or 80% had been fully vaccinated either through a combination of our self-initiated vaccination programmes held in July 2021 and follow-up injections at other vaccination centres. The self-initiated vaccination programme was a collaboration between AEON, Ministry of Federal Territories and Malaysian AEON Foundation.

Sustainability Statement

4. CUSTOMER RELATIONSHIP MANAGEMENT

GRI 103-1, 103-2, 103-3

Our AEON ecosystem exists today because of our Customers. For that, we are grateful. We have made it our mission to be obsessed with the Voice of our Customers, by focusing on the needs and demands of our customers through Sniping and Personalisation. We are here to delight and deliver customer experiences that our current and future generations will be proud to talk about.

Inspired by our Malaysian demographics and analysed through our customers, the 7 Customer Personas were brought to life in AEON to deliver our focus on our Demand Chain Driven, Sniping and Personalisation, and Transparency strategies. This customer-centric segmentation approach enables the Company to empathise and serve the needs of our customers more accurately across the AEON ecosystem. We know that each customer persona needs, characteristics, aspirations, pain points, and motivations are distinctly different. Hence, this approach provides us granular insights to deliver delightful personalised omnichannel customer experiences and have more meaningful conversations with our customers in everything that we do.

The 7 Customer Personas we have identified are:

- i. **Senior Citizens/Retirees** - Independent Boomer generation and AEON loyalists.
- ii. **Entrepreneurs** - Business owners and creative problem solvers.
- iii. **Experience Generation** - Gen-Y working professionals, newlyweds and young families.
- iv. **Malaysian Families** - Typical Malaysian households.
- v. **Affluent Individuals** - With high social standing in the society.
- vi. **Middle Class Working Professionals** - Well educated hardworking professionals with family, quality and education as priority.
- vii. **University Students** - 'Woke' generation, future leaders, speak about Sustainability and Technology.

AEON Careline

The AEON Careline provides a holistic and integrated platform for us to consolidate the Voices of our Customers to raise their inquiries, issues, feedback, or suggestions for improvement about AEON's services and products via social media and our call center (1300-80-2366). Other avenues of communication available for customers include customer voice form in our physical stores and email channel at feedback@aeonretail.com.my. In the year under review, we also introduced YAYA Livechat on our AEON website to enable customers to chat directly with a Careline Agent online instead of calling in.

In FY2021, we recorded a higher number of complaints due to our newly introduced online platform, as well as voices regarding COVID-19 SOPs and the expiry of AEON Gift Vouchers. In response, we have been continuously enhancing the myAEON2go platform to ensure better service delivery and customers experience. We also granted a three-month extension to the expiry date of AEON Gift Vouchers.

Category	2021	2020	2019
Enquiries	15,380	71,005	64,247
Complaints	30,679	8,975	10,218
Compliments	5,005	8,351	5,930
Suggestions	625	701	785
Total	51,689	89,032	81,180

5. COMMUNITY CONTRIBUTION, SUPPORT AND ENGAGEMENT

GRI 203-1, 203-2

As sustainability is essential to the Company, we continue strive to lend a hand to those in need in our society. This encompasses education, financial assistance to the underprivileged or reaching out to the communities around us during festive events. Our Company will always be deeply committed to undertaking initiatives for the wellbeing and development of the community.

5.1 AEON Sayap Bagimu

To make a positive impact on Malaysians from all walks of life, the Company reached out with a heart-warming initiative called AEON Sayap Bagimu. AEON's objective was to propel communities forward by spreading its wings to reach out to people who faced challenges in embracing life in the new norm. Launched in conjunction with the Company's 37th anniversary celebration, AEON is proving that it goes beyond retailing by caring for the needs of people.

Sustainability Statement

AEON SAYAP BAGIMU SUSTAINABLE INITIATIVES:

The sustainability initiative for the nation, AEON Sayap Bagimu was launched on 10 March 2021 in conjunction with AEON celebrating the Company's 37th anniversary. The initiative aspires to drive the spirit of succeeding together in the new normal. Together with the ecosystem, we support one another to spread our wings in creating better tomorrows as we embrace the new normal and progress into the future.

AEON Sayap Bagimu provided the opportunities, encouragement and support to stakeholders especially to those in need. The two main thrusts of this initiative are Development and Collaboration. It encompassed various social and sustainability development programmes which included Education, Community, MSME and Creative Communications. Various programmes have been carried out to support those in need under AEON Sayap Bagimu initiative.



In an effort to help bridge the education gap for students affected by the pandemic to enable them to have equal learning opportunities underscored by our commitment to strengthening their readiness in realising Malaysia's digital nation aspirations, AEON contributed 2,000 units Samsung Galaxy Tab T295 worth RM1 million under AEON Sayap Bagimu initiative for Tablet Programme - Phase 1. AEON's corporate responsibility arm, Malaysian AEON Foundation distributed the tablets to Form 5 students from eligible B40 families in seven states, namely the Federal Territory of Kuala Lumpur, Selangor, Johor, Negeri Sembilan, Kelantan, Perak and Sarawak. All items were handed over through the respective state education departments involving 292 schools. This initiative was supported by Telekom Malaysia Berhad (TM) through Yayasan TM as the Main Partner, which provided free unifi Mobile internet connection for 12 months. Meanwhile, Yayasan Peneraju facilitated a free online tuition programme for three months through Yayasan Sukarelawan Siswa.

No.	Presentation Date	State Education Department (JPN)	No. of Tablets Contributed	No. of Schools Involved	Presentation Info
1	25 August 2021	Wilayah Persekutuan Kuala Lumpur	500 units	89	Nik Surina Suria Nik Abdullah, Head of Corporate Communications of AEON presented the tablets to Mohd Najib Abdul Rahman, Deputy Director (PPD Planning and Management Sector), JPN Wilayah Persekutuan Kuala Lumpur.
2	26 August 2021	Selangor	500 units	100	Datin Noryahwati Mohd Noh, President of MAF presented the tablets to Anismah M. Noh, Director, JPN Selangor.
3	2 September 2021	Johor	200 units	41	Datin Noryahwati Mohd Noh, President of MAF presented the tablets to Shahilon Abd Halim, Deputy Director (Education), JPN Johor.
4	3 September 2021	Negeri Sembilan	200 units	41	Datin Noryahwati Mohd Noh, President of MAF presented the tablets to Misri Mistama, Deputy Director, Education (Student Development Sector), JPN Negeri Sembilan.
5	7 September 2021	Kelantan	200 units	4	Azah Sulaiman, Senior Manager - Government Relations of AEON presented the tablets to Zulkernai Fauzi, Director, JPN Kelantan.
6	9 September 2021	Perak	200 units	8	Dr. Kasuma Satria Mat Jadi, Secretary of MAF cum AEON's Chief Human Resources Officer presented the tablets to Dr. Mohd Suhaimi Mohamed Ali, Director, JPN Perak.
7	10 September 2021	Sarawak	200 units	9	Christopher Chia Swee Leong, Mall Manager and Derick Anak Dingus, Store Manager of AEON Kuching Central presented the tablets to Dr. Norisah Suhaili, Director, JPN Sarawak.
TOTAL			1,000 units	292	



Sustainability Statement



Dapur Selebriti vs Dapur CEO

12 April – The charity cook-off programme, Dapur Selebriti vs Dapur CEO offered a variety of special menus at AEON outlets nationwide for customers to purchase and donate. The dishes were created by AEON's senior management and local celebrities such as Dato' Khatijah Ibrahim, Alif Satar, Black Hanifah, Fizo Omar and Saharul Ridzuan. It was a unique community-focused programme competing for the best sales to raise funds for AEON Sayap Bagimu - Tablet Programme. For every RM10 raised from Dapur Selebriti vs Dapur CEO, RM1 was donated to purchase the tablets to be distributed to eligible students from B40 families.

AEON Presented RM4 Million To The Government Of Malaysia

16 July – AEON presented a contribution of RM4 million on behalf of AEON Co., Ltd. (Japan) to the Government of Malaysia in support of the Government's efforts to alleviate the burden of the people affected by COVID-19. It was presented by Shafie Shamsuddin, MD/CEO of AEON to YAB Tan Sri Muhyiddin Yassin, Malaysia's 8th Prime Minister in Putrajaya. The contribution was part of the 350 million yen (equivalent to RM13 million) regional initiative by AEON Co., Ltd. (Japan) that aimed to help and protect the safety and security of the people in ASEAN countries in the face of the global pandemic.



Sustainability Statement

Sayap Bagimu

AEON Bersamamu Engages The Communities

21 July - AEON commenced a collaboration with Media Prima Audio (formerly known as Ripple Radio) to engage the communities in need.

AEON Bersamamu was a collaborative initiative with Hot FM, Buletin FM, Fly FM and 8FM. The mission of the programme was to lend a hand to families that are affected by the pandemic. AEON Bersamamu boxes containing essential food and health items were delivered to them upon their request through the radio stations. In total, AEON Bersamamu boxes worth RM70,400 were delivered to 352 families.



PUPUK@AEON

3 August - The Malaysian Communications and Multimedia Commission (MCMC) and AEON partnered to launch the PUPUK@AEON initiative to empower micro entrepreneurs and upscale their businesses through the community internet centres (PIK). With the assistance provided by selected PIKs together with AEON, these micro entrepreneurs will be guided in terms of marketing strategy and packaging. At the launch of PUPUK@AEON that was held virtually, MCMC was represented by Dr. Fadhullah Suhaimi Abdul Malek, MCMC's Chairman while AEON was represented by Shafie Shamsuddin, the MD/CEO.

Sustainability Statement



#AEON37

7 October - AEON marked its 37th anniversary celebration themed Sayap Bagimu at TGV, AEON Mall AU2, Kuala Lumpur. It was virtually graced by YABhg. Tun Dr. Mahathir Mohamad, 4th and 7th Prime Minister of Malaysia. The establishment of AEON in Malaysia was mooted by YABhg. Tun and his contributions are a profound part of AEON's history. AEON is grateful to be given the wings to grow with the country through innovation and collaboration as well as the continuous support from the Government, AEON People and ecosystem.

At the event, several initiatives aligned with the aspirations of AEON Sayap Bagimu were announced;

- AEON Prihatin, a community development and support programme offering digital platform for small businesses to grow and be part of AEON ecosystem.
- Financial facilities by AEON Credit Service (M) Berhad for SMEs under PUPUK@AEON as well as business development assistance by AEON.
- AEON x Mamasab International Sdn. Bhd. that focused on enhancement of entrepreneurial skills for a holistic and competitive ecosystem.
- Fresh2go, a collaboration with local vegetable farmers in delivering freshness straight from the farm to AEON customers.
- 10.10 Promotion which offered special discounts on myAEON2go for the benefits of the customers.

To mark the celebration, AEON also collaborated with Wan Jamila or Artjamila who painted the wings placed at all AEON outlets to symbolise the theme. Artjamila is a well-known local artist who has won numerous awards locally and abroad. To share the joy and gratitude, AEON customers were invited to participate in 'Guess and Win' contest by counting the wings featured on Artjamila's artwork with various prizes worth RM37,000 being offered.

The hybrid event was broadcasted live on AEON Retail Malaysia's YouTube channel and garnered 4,500 views. It was also attended by Datuk Iskandar Sarudin, Chairman of AEON; Abdul Rahim Abdul Hamid, Board Member of AEON; Shafie Shamsuddin, MD/CEO of AEON; Daisuke Maeda, MD of AEON Credit Service (M) Berhad; Datin Noryahwati Mohd Noh, MD of AEON Delight (M) Sdn. Bhd. together with AEON People, business and tenant partners, local celebrities, members of the media and more than 20 sponsors' representatives.



Sustainability Statement

AEON Sayap Bagimu - Raikan

9 October – A television talk show produced as part of AEON Sayap Bagimu initiative titled 'AEON Raikan' made its airtime debut today and was subsequently aired on 16, 23 and 30 October at 5.30 pm on TV3. The four-episode programme was hosted by Alif Satar, a renowned local celebrity.

Supported by AEON People and members of the community, the programme creatively featured moving and captivating stories, sharing of inspirational life experiences, celebrations of hope in the face of pandemic challenges and adapting the new normal. The footage of the show can be found on AEON Malaysia's YouTube channel.



AEON Sayap Bagimu - Bagaimana Kalau?

18 October 2021 - A 22-episode television comedy series produced under AEON Sayap Bagimu initiative titled 'Bagaimana Kalau' made its airtime debut on 18 October. Aired every Monday and Tuesday at 9.30 pm via TV3, it was supported by renowned local celebrities such as Alif Satar, Siti Elizad, Dato' Sri Eizlan Yusof, Vince Chong, Mark Adam and many more.

The series illustrated how AEON played its role in people's daily lives and creatively highlighted inspirational stories and motivating messages. The footage can be found on AEON Malaysia's YouTube channel.

AEON 1% Club Foundation GRI 306-2

20 - 22 December 2021 - The AEON 1% Club Foundation is an international CSR initiative of AEON Japan, created to focus on education, food, and environmental initiatives, and to promote international friendship and goodwill within the Asia region. The Foundation has a three-fold objective namely; to encourage development of the next generation, to encourage friendship with foreign countries and to sustain development of regional communities.

AEON Youth Leaders 2021 (AYL 2021) Programme

AEON was part of AEON 1% Club Foundation's annual Asia Youth Leaders (AYL) Programme held virtually. Officiated by Yoshiki Mori, Chairman of the foundation, the programme welcomed 63 secondary school participants from Malaysia, Cambodia, China, Indonesia, Japan, Laos, Myanmar, Thailand, and Vietnam. The seven representatives from Malaysia were the recipients of AEON Sayap Bagimu - Tablet Programme from seven different states. They were excited to learn about prevailing social and environmental issues. AYL also deepened their knowledge of other cultures and values.



Sustainability Statement

COMMUNITY ENGAGEMENT INITIATIVES:



Virtual Zumba

28 March – AEON organised the largest Virtual Zumba themed 'One Zumba, One Move, One Kita' joined by 1,943 participants via Zoom. In conjunction with this programme that promoted health and togetherness, the participation fees of RM15 per participant were used to purchase 'Piece of Love' chocolates which were later presented to healthcare frontliners at Hospital Kuala Lumpur, Hospital Ampang, Hospital Melaka dan Hospital Sultan Ismail, Johor in expressing the appreciation and gratitude for their contributions during the pandemic.

The Malaysian Book of Records recognised AEON as the nation's record holder for organising the 'Largest Participation in A Virtual Zumba Event'. The award was presented on 16 April 2021 to Sunny Setiawan, COO of AEON on behalf of the Company.



Celebrating National Day With AEON

31 August - AEON celebrated National Day and Malaysia Day themed 'Bersyukur, Berjuang, Bangkit' in unity with employees and customers in an exciting and yet meaningful manner. The national anthem was heard throughout all 28 AEON Malls, 34 AEON Stores, 21 AEON BiG, 9 AEON Maxvalu, 65 AEON Wellness and 42 DAISO outlets nationwide, where everyone sang in unison, including AEON People and customers. It was a momentous occasion that brought Malaysians together to commemorate the historic day.

AEON Taman Maluri Shopping Centre Ecosystem Was Fully Vaccinated

2 September 2021 – AEON Taman Maluri Shopping Centre achieved fully vaccinated status and was the first among 200 AEON outlets nationwide. The shopping centre achieved 80% threshold of the herd immunity comprising 1,733 people within the ecosystem as of 30 August 2021. It comprised not only the shopping centre's employees but also the tenants, security and facilities personnel, suppliers and business partners.

This accomplishment was made possible through a self-initiated vaccination programme held on 7 and 28 July 2021 coupled with administration of vaccines of a few groups within the ecosystem at various vaccination centres. The programme was a collaboration between AEON and Ministry of Federal Territories which was funded by Malaysian AEON Foundation.



Tourism Malaysia 'Jom Cuti-Cuti Malaysia' x AEON

27 November - AEON collaborated with Tourism Malaysia, an agency under the Ministry of Tourism, Malaysia, to support the 'Jom Cuti-Cuti Malaysia' programme, as we strived to help boost the country's tourism industry by promoting tourism-related events or products at AEON outlets nationwide.

Officiating the launch ceremony that took place at AEON Mall Bukit Raja in Klang was Datuk Zainuddin Abdul Wahab, Director General of Tourism Malaysia. He was received by Nobutada Hanaoka, Chief Governance Officer of AEON.

The campaign also saw the participation of AEON Taman Maluri Shopping Centre, Kuala Lumpur and AEON Mall AU2, Setiawangsa.



Sustainability Statement



Tourism Malaysia Photo Challenge

11 December - Tourism Malaysia, an agency under the Ministry of Tourism, Malaysia launched a 'Photo Challenge 2021' competition in conjunction with 'Jom Cuti-Cuti Malaysia' roadshow which was held at AEON Mall AU2, Setiawangsa, Kuala Lumpur.

The contest ran until 11 February 2022 and featured four categories of 'Extreme Shot', 'Nature, Arts and Culture', 'Human Interest', as well as 'Past and Present'.

The ceremony was officiated by Datuk Zainuddin Abdul Wahab, Director General of Tourism Malaysia and he was received by Tsutomu Motomura, Deputy MD of AEON.

AEON x Majoriti

16 December - An online news portal, Majoriti, is making strides as it partnered with AEON in offering exciting content and exclusive offers for readers and consumers. Majoriti and AEON signed a Memorandum of Understanding (MoU) at AEON Taman Maluri Shopping Centre, Kuala Lumpur today to make a start of the new partnership.

As a new Bahasa Malaysia news portal focused on providing reports on current affairs, Majoriti is set to provide engaging narratives that spark conversations while delivering added value to its consumers together with their strategic partners.

The MoU was signed by Shafie Shamsuddin, MD/CEO of AEON and Alex Yeow, CEO of Majoriti. It was witnessed by Low Ngai Yuen, Chief Merchandising and Marketing Officer of AEON and Chung Eng Lee, Majoriti product lead. Also present was Tsutomu Motomura, Deputy Managing Director of AEON.



Malaysian **AEON Foundation**

Inspired to reach out to those in need, the Malaysian AEON Foundation (MAF) was established in 2004 by AEON, the first retailer in Malaysia to start its own charitable foundation. To date, the MAF has contributed more than RM17 million in the implementation of various community sustainability programmes.

As the corporate responsibility arm of AEON, MAF strives to provide assistance to those who do not have the access to basic needs such as education, shelter and medical support. It also aims at providing guidance to younger generation in addressing today's social challenges regardless of race and religion, and to further develop their potential for a more meaningful future.

In 2021, MAF reached out to communities affected by the pandemic, providing various forms of relief, in addition to emergency aid provided to those impacted by the year-end flash floods. Beyond this, MAF brought festive cheer to the underprivileged during festivities such as Hari Raya, Deepavali and Christmas.



AEON Sayap Bagimu

MAF collaborated with AEON CO. (M) BHD. (AEON) to realise the aspirations of AEON Sayap Bagimu. The foundation has been instrumental in ensuring the success of the sustainability initiative for the nation, AEON Sayap Bagimu for the Tablet Programme (Phase 1) which was

implemented with the objective to help bridge the education gap of students affected by the pandemic. Moving under its Education Pillar, MAF distributed a total of 2,000 units of Samsung Galaxy Tab T295 worth RM1 million, contributed by AEON to Form 5 students from eligible families in seven states, namely the Federal Territory of Kuala Lumpur, Selangor, Johor, Negeri Sembilan, Kelantan, Perak and Sarawak. The gadgets were handed over through their respective state education departments involving 292 schools.

For Phase 2 of the programme, MAF collaborated with AEON Credit Service (M) Berhad (ACS) and was supported by Yayasan Didik Negara, a foundation under the purview of Ministry of Education. MAF distributed 2,150 units of Samsung Galaxy Tab A7 worth RM1,290 million, contributed by ACS to eligible B40 students in Kedah, Perlis, Pulau Pinang, Perak, Selangor, Federal Territory of Putrajaya, Kelantan, Melaka, Johor and Sabah. The three AEON entities worked in tandem in engaging the communities to accelerate and broaden the shared sustainability development goals to create better tomorrows for everyone.



AEON Bersamamu

MAF contributed AEON Bersamamu's grocery boxes to 5,422 families worth RM1 million for a period of 10 months in two phases. Implemented under the AEON Sayap Bagimu initiative, AEON Bersamamu programme focused on assisting and supporting families who lost their source of income due to the pandemic.



Malaysian AEON Foundation



FESTIVE CELEBRATIONS GRI 203-1, 203-2

AEON Mesra Aidiladha

MAF contributed over 350 kg of beef to spread festive cheer during Hari Raya Aidiladha to approximately 340 deserving families in the Southern region. This was to aid families facing financial challenges due to the pandemic. Each family received one to two kg of 'daging sedekah' on 23 - 24 July 2021.



AEON Mesra Deepavali

MAF donated RM45,000 on 4 November 2021 to the less fortunate in conjunction with the Deepavali celebration. Aimed at bringing cheer to the recipients, 400 AEON Bersamamu boxes containing groceries were presented to B40 families and two NGOs, Rumah Kebajikan SVP Klang and Temple Sri Subramanivar Devasthanam Pandamaran Klang.



AEON Mesra Christmas

In spreading the happiness of year end festive season, MAF contributed Christmas gifts amounting to RM94,000 to 524 underprivileged children from 10 charity homes nationwide.



AEON Bantu COVID-19 Vaccine Aid Programme

MAF donated RM173,800 in this initiative to fully vaccinate 1,733 people of AEON Taman Maluri Shopping Centre's ecosystem on 7 and 28 July 2021.



AEON Bantu COVID-19 Ops Relief

In expressing our gratitude and appreciation to the frontliners during the COVID-19 pandemic, MAF contributed RM88,000 through the distribution of Care Packs containing energy drinks, ready-to-eat food and healthcare products to over 7,000 frontliners at various locations nationwide.

Location	Amount Donated (RM)
Quarantine Centre MAEPS, Serdang, Selangor	15,000
Hospital Tengku Ampuan Afzan, Kuantan, Pahang	19,000
Quarantine Centre MITC, Melaka	13,000
COVID Assessment Centre (CAC), Stadium Melawati, Selangor	18,000
Eight Police Headquarters located in Wilayah Persekutuan Kuala Lumpur, Selangor, Penang, Pahang, Johor and Sarawak.	19,000
Hospital Ampang, Kuala Lumpur	4,000
Total Donated (RM)	88,000



AEON BANTU FLOOD RELIEF 2021

GRI 203-1, 203-2

To ease the burden faced by the victims of the year end flash flood, MAF donated a total of RM100,000 to over 1,000 affected families as below:

- 400 families in Temerloh, Pahang received homecare boxes worth RM100 each containing instant food and personal hygiene products.
- About 200 families residing in Sik and Yan, Kedah received groceries such as rice, cooking oil and instant food.
- About 365 families at relief centres in Subang and Sepang in Selangor received groceries, hygiene kits and personal care items.
- 600 families in relief centres at Masjid Kg. Jawa, Hulu Langat, Pejabat Daerah and Tanah Petaling and Stadium Tertutup Kuala Selangor in Selangor received home cleaning products, face masks, blankets, towels, hygiene kits and personal care items.



MAF AEON Bantu Flood Relief Ops – Clean Up Operation

On 30 December, MAF organised a large-scale clean-up operation in Seksyen 23, Taman Sri Muda, Shah Alam in Selangor to clear up the aftermath of the flash flood. This initiative involved 100 AEON People, public volunteers and Majlis Bandaraya Shah Alam (MBSA) who collaborated with a shared objective to assist the affected community. MAF also donated home cleaning products, face masks, blankets, towels and hygiene kits to the victims.





Board Of Directors' Profile

Datuk Iskandar Sarudin

**Independent
Non-Executive Chairman**

Date of Appointment
to the Board:
27 February 2017

Board Meeting
Attendance in 2021:
5/5

Nationality:
Malaysian

Age:
67

Gender:
Male



Board Committee:

- Nil

Academic/Professional Qualification:

- B.A. (Hons) of Malay Studies in University of Malaya
- Diploma of Public Administration (INTAN)

**Directorship(s) in other Public
Companies/Listed Companies:**

- Complete Logistic Services Berhad
- Eversendai Corporation Berhad
- Classic Scenic Berhad

Datuk Iskandar Sarudin was appointed to the Administrative and Diplomatic Service of Malaysia as Assistant Secretary (ASEAN) at the Ministry of Foreign Affairs in 1979. In 1983, he was appointed as Second Secretary, Embassy of Malaysia in Jakarta, Indonesia. In 1985, he was appointed as First Secretary, High Commission of Malaysia in Lagos, Nigeria. In 1988, he was appointed as Principal Assistant Secretary (East Asia), Ministry of Foreign Affairs and then as Principal Assistant Secretary (CHOGM), Ministry of Foreign Affairs. In 1991, he was tasked by the Ministry to establish the Embassy of Malaysia in Republic of Chile and was appointed as Counsellor, Embassy of Malaysia, Santiago, Chile.

In 1995, he was tasked by the Ministry to establish the Embassy of Malaysia in Sarajevo, Bosnia and Herzegovina and was appointed as Counsellor, Embassy of Malaysia, Sarajevo, Bosnia and Herzegovina. He was the Deputy Director General (ASEAN), Ministry of Foreign Affairs in 1998. From 2000 to 2004, he was appointed as High Commissioner of Malaysia to Sri Lanka and High Commissioner of Malaysia to Republic of Maldives. From 2003 to 2004, he was President of Colombo Plan Organisation, Colombo. From 2004 to 2006, he was Ambassador of Malaysia to the Republic of Philippines.

In 2006, he was the Deputy Secretary General (Management Affairs) Ministry of Foreign Affairs responsible for service, finance, administration, security, ICT and consular development. In 2010, he was Ambassador of Malaysia to People's Republic of China. He is also President of Persatuan Muafakat One Belt One Road Malaysia since 2016.

Board Of Directors' Profile



Shafie Shamsuddin

Managing Director

Date of Appointment
to the Board:
1 January 2020

Board Meeting
Attendance in 2021:
5/5

Nationality:
Singaporean

Age:
51

Gender:
Male

Board Committee:

- Nil

Academic/Professional Qualification:

- Bachelor of Business Administration, Nanyang Technological University, Singapore

Directorship(s) in other Public Companies/Listed Companies:

- Petronas Dagangan Berhad

Encik Shafie Shamsuddin started his career as a Management Trainee in Carrefour Singapore in 1996. He became the first Asian CEO of Carrefour in the Company's history at the age of 35 years old. He has led Carrefour in Singapore, Malaysia and Indonesia for 16 years and held the position of Managing Director and Chief Executive Officer from 2005 to 2011. Encik Shafie has extensive experience in human capital development and the consumer goods industry. He held various operational and commercial executive positions over his 20 years of immersion in the ASEAN region.

From year 2011 to 2012, he was appointed as the Executive Director of Global Talent Management and Organisational Development of Carrefour Group based in Paris. In 2013 to 2019, he was the President Director and Chief Executive Officer of PT Trans Retail Group, based in Jakarta. Since February 2018, he sits on the Board of Petronas Dagangan Berhad and subsequently redesignated as Senior Independent Non-Executive Director. Encik Shafie is also a Managing Director of AEON BiG (M) Sdn Bhd since January 2020. He started his career in AEON as the Chief Strategy Officer of AEON Asia Sdn. Bhd. which spanned from July 2019 until December 2019.

Board Of Directors' Profile

Tsutomu Motomura

Deputy Managing Director

Date of Appointment
to the Board:
21 January 2021

Board Meeting
Attendance in 2021:
4/4

Nationality:
Japanese

Age:
53

Gender:
Male



Board Committee:

- Nil

Directorship(s) in other Public Companies/Listed Companies:

- Nil

Academic/Professional Qualification:

- Bachelor Degree in Business Administration, Dominican University, USA

Mr Tsutomu Motomura joined AEON Co., Ltd. in June 1993 as Manager of Dining Department at AEON Kansai Store, Tokyo, Japan. His responsibilities in sales floor planning, staff control, education and sourcing earned him the position as Hardline Manager in April 2000, where he was transferred to AEON Futtso Store, in Chiba. With further exposure into marketing and retail management, he was tasked with his first overseas post in AEON CO. (M) BHD., Malaysia as Project Manager in 2002. In his second year in the country, he was promoted to Senior Manager where he oversaw expansion of AEON Stores nationwide and diversified merchandise.

In March 2008, he returned to Japan to manage AEON Murakami Higashi Store until March 2010. He served as Store Manager for AEON Noa Store for a year prior to his promotion as Deputy Managing Director for AEON Beijing, China until March 2019. Prior to his return to Malaysia, Mr Motomura was a General Manager for AEON Co., Ltd., Japan, where he helped to develop new specialty business formats, supporting exports and store openings in China and Asean countries. Since January 2021, he sits as Deputy Managing Director and an Executive Director of AEON CO. (M) BHD. He is also a Director of AEON BiG (M) Sdn. Bhd. since January 2021.

Board Of Directors' Profile

Datuk Syed Ahmad Helmy Syed Ahmad



**Independent
Non-Executive Director**

Date of Appointment
to the Board:
16 April 2013

Board Meeting
Attendance in 2021:
5/5

Nationality:
Malaysian

Age:
75

Gender:
Male

Board Committee:

- Member of Audit and Risk Management Committee
- Member of Nomination and Remuneration Committee

Academic/Professional Qualification:

- Bachelor of Laws (LL.B) Honours, University of Singapore

**Directorship(s) in other Public
Companies/Listed Companies:**

- Nil

Datuk Syed Ahmad Helmy bin Syed Ahmad has forty (40) years of experience as a legal practitioner and judicial officer in Malaysia and Singapore. Datuk Syed started his legal career in 1972 before starting his own partnership under the name of Yahya Helmy & Co in 1985 and subsequently renamed the law firm to S.A. Helmy & Partners. He was then appointed as High Court Judge for High Court of Malaya – Johor Bahru, High Court Judge for High Court of Malaya – Shah Alam and Court of Appeal Judge for Court of Appeal, Putrajaya in year 2000, 2007 and 2009 respectively. He retired as a Judge in December 2012 and was appointed as the Chairman of Advocates and Solicitors Disciplinary Board.

Board Of Directors' Profile

Dato' Tunku Putra Badlishah Ibni Tunku Annuar

**Independent
Non-Executive Director**

Date of Appointment
to the Board:
16 April 2013

Board Meeting
Attendance in 2021:
5/5

Nationality:
Malaysian

Age:
57

Gender:
Male



Board Committee:

- Chairman of Nomination and Remuneration Committee
- Member of Audit and Risk Management Committee

Directorship(s) in other Public Companies/Listed Companies:

- Johor Land Berhad

Academic/Professional Qualification:

- BSc (Hons) in Business Administration

Dato' Tunku Putra Badlishah started his career as Account Manager in J.Walter Thompson Advertising in 1987 and subsequently joined DMIB Berhad as Senior Executive - Communications in 1989 and thereafter was promoted as Marketing Manager. From January 1992 to December 1995, he worked in Sandestin Resort, Florida, United States of America as Manager of Marketing and Development. He joined the Sime Darby Group in January 1996 and had held various senior positions within the Group, amongst them act as Senior Manager in Sales and Marketing of Sime Darby Land Sdn. Bhd. (January 1996 to July 2000), General Manager - Sales and Marketing of Auto Bavaria (August 2000 to March 2004), Managing Director of Auto Bavaria (February 2004 to March 2005), Director of Operations of Sime UEP Properties Berhad (April 2005 to December 2005) and Director - Group Property of Sime Darby Berhad (January 2006 to October 2007).

Dato' Tunku was appointed as the Executive Vice President - Property Development and Strategic Investments, Sime Darby Property Berhad from November 2007 to July 2008 and as Managing Director and Member of the Board of Sime Darby Healthcare Sdn Bhd and Sime Darby Property Berhad from August 2008 to July 2011, prior to founding the Putra Group of Companies. He is currently the Executive Chairman of Putra Ventures Sdn Bhd and Putra Land Sdn Bhd.

Board Of Directors' Profile

Abdul Rahim Abdul Hamid



**Independent
Non-Executive Director**

Date of Appointment
to the Board:
16 August 2013

Board Meeting
Attendance in 2021:
5/5

Nationality:
Malaysian

Age:
71

Gender:
Male

Board Committee:

- Chairman of Audit and Risk Management Committee
- Member of Nomination and Remuneration Committee

Academic/Professional Qualification:

- Member of the Malaysian Institute of Accountants (MIA)
- Fellow of the Association of Chartered Certified Accountants
- Member of the Malaysian Institute of Certified Public Accountants

**Directorship(s) in other Public
Companies/Listed Companies:**

- Petra Energy Berhad
- GFM Services Berhad

Encik Abdul Rahim Abdul Hamid started his career in Coopers & Lybrand (previously known as Cooper Brothers & Co.) in 1971. He rose in the firm to eventually become its Chief Executive in 1993. When the firm merged with Price Waterhouse in 1998 to form PricewaterhouseCoopers, he served as its Deputy Executive Chairman until he retired in June 2004. During the span of more than three decades in the firm, he was involved in audit, management consultancy and insolvency practice covering multiple industries including retail and manufacturing, construction, plantation, entertainment and banking in both public and private sectors.

In the education sector, he was an Adjunct Professor of Accountancy at Universiti Malaysia Terengganu; a member of the Senate at Open University Malaysia; a member of the Advisory Panel at Universiti Kebangsaan Malaysia and Universiti Putra Malaysia and Industry Adviser at Universiti Tunku Abdul Rahman.

He was also appointed to the Council of the MIA and was elected by the Council to hold office as President.

He served as President of the MIA (2005 to 2007 and 2009 to 2011) and as President of the ASEAN Federation of Accountants from 2010 to 2011.

Board Of Directors' Profile



Soichi Okazaki

**Non-Independent
Non-Executive Director**

Date of Appointment
to the Board:
25 June 2020

Board Meeting
Attendance in 2021:
5/5

Nationality:
Japanese

Age:
63

Gender:
Male

Board Committee:

- Nil

Academic/Professional Qualification:

- Faculty of Business Administration, Toyo University

**Directorship(s) in other Public
Companies/Listed Companies:**

- Nil

Mr Soichi Okazaki has an illustrious 40-year career within the AEON group, ranging from executive to chairmanship serving in over three countries. He first joined AEON Japan in March 1981 and 14 years later, he was Director at GUANGDONG JUSCO TEAM STORES CO., LTD, China for six years. In June 2001, he first stepped in Malaysia to assume the posts of Managing Director of AEON CO. (M) BHD. With stellar leadership and dedication, he returned to his native country to become Executive Officer of AEON Co., Ltd., and helmed AEON Supercenter Co. Ltd. as its President, successively in 2005. In 2009, he was the Director and General Manager of Marketing and Planning Division for AEON Retail Co., Ltd.

In 2011, Mr Okazaki was promoted as Chief Executive Officer and President of AEON Mall Co. Ltd., and in 2012 served as CEO of Developer Business for AEON Co., Ltd. In 2015, he became the CEO and President of AEON Retail Co. Ltd. The next five years saw further development within AEON ranks, where he served as CEO of GMS business and International business. He was appointed as the Chairman of AEON Retail Co. Ltd in March 2019 and currently serves as Executive Officer of ASEAN Business for AEON Co., Ltd.

Board Of Directors' Profile

Chong Swee Ying

**Non-Independent
Non-Executive Director**

Date of Appointment
to the Board:
23 August 2018

Board Meeting
Attendance in 2021:
5/5

Nationality:
Malaysian

Age:
58

Gender:
Female



Board Committee:

- Nil

Academic/Professional Qualification:

- Tunku Abdul Rahman College, Kuala Lumpur

**Directorship(s) in other Public
Companies/Listed Companies:**

- Nil

Chong Swee Ying joined AEON CO. (M) BHD. as Administration staff in 1985. From 1985 to 2002 she was in-charge of various departments including Hardline Merchandiser, Softline Group Leader, Leasing Manager and Senior Manager of Shopping Centre Management. In 2003, she was appointed as General Manager of Shopping Centre and New Business Development. She was appointed as General Manager of Store Operations and Marketing in 2006.

In 2011, she was transferred and appointed as the Executive Director of AEON Fantasy (Malaysia) Sdn Bhd in 2012, she was promoted as the Managing Director of AEON Fantasy (Malaysia) Sdn Bhd and retired from the same position on 1 June 2018. She was then appointed as Advisor to AEON Fantasy (Malaysia) Sdn Bhd since July 2018.

Note: Save as disclosed in this annual report, all the Directors mentioned in pages 73 to 80 have no conflict of interest with AEON CO. (M) BHD. or any family relationship with any Director and/or major shareholder or any convictions for offences within the past 5 years and any public sanction or penalty imposed by the relevant regulatory bodies during the financial year, except for traffic summons, if any.

AEON

Leadership Council



Shafie Shamsuddin

Managing Director/Chief Executive Officer

Nationality: Singaporean | Age: 51 | Gender: Male

Date of Appointment:

1 January 2020

Please refer to page 74 for the full profile of Shafie Shamsuddin.



Tsutomu Motomura

Deputy Managing Director/Executive Director

Nationality: Japanese | Age: 53 | Gender: Male

Date of Appointment:

21 January 2021

Please refer to page 75 for the full profile of Tsutomu Motomura.

Note: Save as disclosed in this annual report, all the Senior Management mentioned in pages 81 to 85 have no conflict of interest with AEON CO. (M) BHD. or any family relationship with any Director and/or major shareholder or any convictions for offences within the past 5 years and any public sanction or penalty imposed by the relevant regulatory bodies during the financial year, except for traffic summons, if any.

AEON Leadership Council



Sunny Setiawan

Chief Operating Officer

Nationality: Indonesian | Age: 56 | Gender: Female

Date of Appointment:

12 March 2020

Directorship(s) in other public companies/listed companies:

- Nil

Responsibilities:

- Overall management of AEON Retail Business Units (Departmental Stores and Supermarket, AEON Maxvalu, Wellness, Flat-Price Shop and Komai-so).
- Overall management of AEON Mall Leasing, Operations and Marketing.
- Responsible for the operational capability and strategy across Retail and Mall businesses.

Academic/Professional Qualification:

- Master Degree of Retailing, University of Stirling, Scotland, UK.
- Management Degree, University of Tarumanagara, Indonesia.

Experience:

- Managing Director, CENTRAL Retail Indonesia.
- Chief Operating Officer, CENTRAL Retail Vietnam.
- Director of Store Operations, PT. Matahari Department Store, Indonesia.
- National Retail Operations Manager, Mitra Adi Perkasa, Indonesia.



Nobutada Hanaoka

Chief Governance Officer

Nationality: Japanese | Age: 49 | Gender: Male

Date of Appointment:

1 April 2020

Directorship(s) in other public companies/listed companies:

- Nil

Responsibilities:

- Overall management and operations of Strategy, Legal, Non-Trade Procurement, Quality Management, Risk Prevention and Mall Credit Control.
- Responsible for regulatory and compliance across AEON.

Academic/Professional Qualification:

- International Study, Mt. Hood Community College, USA.

Experience:

- Senior General Manager, AEON BiG (M) Sdn Bhd.
- Leader, Accounting, AEON Ibis Co., Ltd, Japan.
- Accounting Executive, AEON Retail Co., Ltd, Japan.

AEON Leadership Council



Dr. Kasuma Satria Mat Jadi

Chief Human Resources Officer

Nationality: Malaysian | Age: 49 | Gender: Male

Date of Appointment:

1 April 2020

Directorship(s) in other public companies/listed companies:

- Nil

Responsibilities:

- Overall management and operations of Human Resources, Corporate Communications and Corporate Services divisions.
- Responsible for setting, executing and operationalising AEON's people, business and branding strategies.

Academic/Professional Qualification:

- Doctorate in Business Administration, Multimedia University, Malaysia.
- MBA, University of Huddersfield, UK.
- Degree in Business Administration (Hons.), University Utara Malaysia.

Experience:

- General Manager, Education Operations, LeapEd Services.
- Director and Vice President, Sales and Business Development, Onshore and Offshore, Malaysia and Brunei, TechnipFMC.
- Vice President, East Malaysia and Brunei, Technip.
- Regional Vice President, Human Resources and Corporate Development, Asia Pacific, Technip.
- Group Vice President, Global Sourcing and Recruitment, France, Technip.



Dr. Grace Lee Hwee Ling

Chief Financial Officer

Nationality: Malaysian | Age: 46 | Gender: Female

Date of Appointment:

1 October 2021

Directorship(s) in other public companies/listed companies:

- Tune Protect Group Berhad

Responsibilities:

- Ensures the strategic execution of business plans to deliver on our operating and financial goals to create long term value for our shareholders.
- Oversees financial control that encompasses planning, budgeting, forecasting, management reporting, financial reporting processes and finance business partners.
- Responsible for AEON's financial, capital and investment management including specifically overseeing treasury, tax and investor relations.

Academic/Professional Qualification:

- Doctorate in Business Administration, ELM Graduate School HELP University
- Fellow of the Australian CPA
- Certified Information Systems Auditors (CISA)
- MBA with Distinction, Charles Sturt University, NSW Australia
- Bachelor of Commerce (Acc and Finance), Curtin University, Australia

Experience:

- Group Chief Transformation and Group Chief Technology Officer, Astro Malaysia
- Chief Executive Officer and Non Independent Director, Astro Go Shop
- Senior Vice President, Group Finance and Group Chief Risk Officer, Astro Malaysia
- Consultant, PricewaterhouseCoopers Malaysia

AEON Leadership Council



Djoni Herlambang

Chief Technology Officer

Nationality: Indonesian | Age: 56 | Gender: Male

Date of Appointment:

15 April 2020

Directorship(s) in other public companies/listed companies:

- Nil

Responsibilities:

- Responsible for digital transformation initiative.
- Responsible for the set-up of AEON Kaizen Mobile-Intelligence as a profit centric business unit.
- Advise the best suitable technology for the Company.
- Overall management of the design and customised technological systems and platforms to improve customer experience.
- Analyse the costs, value and risks of technology to advise management and suggest actions.

Academic/Professional Qualification:

- Master's Degree in Information System, MSI Indonesia.

Experience:

- More than 30 years' experience in retail industry specialising in digital transformation.
- Held various senior management positions leading the IT Divisions in several retail organisations throughout Asia.



Lee Beng Beng

Chief Property Officer

Nationality: Malaysian | Age: 52 | Gender: Male

Date of Appointment:

12 March 2020

Directorship(s) in other public companies/listed companies:

- Nil

Responsibilities:

- Overall strategy, planning and management of the Property division.
- Responsible for developing the strategy, planning and setting directions for property and related scopes including business development, retail planning, concept and design and project management.
- Responsible for property management, maintenance and operations of facilities of the properties.

Academic/Professional Qualification:

- Diploma in Business and Management, Institute of Commercial Management, UK.
- Registered Property Manager (PM0352) with Malaysian Board of Valuers, Appraisers, Estate Agents and Property Managers (BOVAEA/ LPPEH).
- Certified Centre Manager (CCM) with Persatuan Pengurusan Kompleks Malaysia (PPKM).

Experience:

- Director of Retail at Malaysia Land Properties Group, Malaysia.
- Director, Retail at OSK Property, Malaysia.
- Head of Retail and Commercial at Belleview Group, Malaysia.
- Various senior management positions at shopping centres in Belleview Group and Penas Group, Malaysia.

AEON Leadership Council



Azli Mohamed

Chief Entrepreneurial Commerce Officer

Nationality: Malaysian | Age: 45 | Gender: Male

Date of Appointment:

19 April 2021

Directorship(s) in other public companies/listed companies:

- Nil

Responsibilities:

- Overall management and operations of E-Commerce ecosystem, platform strategy and value chain, entrepreneurial new business approach, customer experience, and big data analytics.
- Responsible in the creation and execution of Company's Corporate Venture Capital (CVC).
- Responsible for the design and execution of New Ventures P&L, powering the Company towards the next level of growth.

Academic/Professional Qualification:

- Degree in Business Administration, University Utara Malaysia.
- Certified Lean Six Sigma Blackbelt, ICBB.
- Attended INSEAD Senior Management Program (Leadership Financial).

Experience:

- Chief Strategy and Growth Officer and Chief Transformation Officer, Capital A Berhad (formerly Air Asia Group), Malaysia.
- Chief Strategy Officer, Malaysia Airports Holdings Berhad.
- Chief Operating Officer, GE Malaysia.
- Various senior management positions in GE Malaysia and ASEAN.



Low Ngai Yuen

Chief Merchandising and Marketing Officer

Nationality: Malaysian | Age: 45 | Gender: Female

Date of Appointment:

1 July 2021

Directorship(s) in other public companies/listed companies:

- GDEX Berhad
- OSK Group Berhad

Responsibilities:

- Develop commercial strategies to drive continuous growth in market share of offline business while concurrently creating more synergies for a seamless experience with the online business.
- Lead the conception and execution to scale ecosystem partnership and community driven loyalty system using analytics and data to benefit customers' journeys and lifestyle.
- Introduce new opportunities and sustain innovations to the value propositions in the development of private brands and labels.

Academic/Professional Qualification:

- Bachelor of Science in Biology and Chemistry, Campbell University, North Carolina, USA
- Filmmaking, University of Melbourne, Australia

Experience:

- President, Persatuan Kakiseni
- Founder and President, WOMENgirls-Pertubuhan Pembangunan Kendiri Wanita and Gadis
- Executive Director/CEO, Global Entrepreneurship Movement Association
- Co-founder of Makespace, Fearless Ideas and Garang Pictures
- Executive Officer for Special Projects, The Melium Group S/B
- Marketing and Communications Director, Carrefour Malaysia-Singapore
- Executive Producer and Content Creator, New Vision Media
- Film/TV/Radio Producer and Director.

Corporate Governance Overview Statement

The Board of Directors (Board) of AEON CO. (M) BHD. (AEON or the Company) recognises the importance of good corporate governance and is committed in ensuring the sustainability of the Company's business and operations through maintaining good governance ethics as promulgated by the Malaysian Code of Corporate Governance 2021 (MCCG 2021).



Corporate Governance Overview Statement

The Board believes that maintaining good corporate governance is key to delivering stakeholders' value.

This Corporate Governance Overview Statement (CG Overview Statement) presents key governance highlights for the FY2021 and up to the date of publication of this Annual Report, outlining AEON's application of the 3 principles, 43 practices and 5 Step-up practices of the MCCG 2021, during the year under review.

This statement is complemented with a Corporate Governance Report (CG Report) that is prepared based on a prescribed format pursuant to paragraph 15.25 of the Main Market Listing Requirements (MMLR) of Bursa Malaysia Securities Berhad (Bursa Securities), which is made

available on the Company's website <https://aeongroupmalaysia.com/> as well as via an announcement on the website of Bursa Securities. This statement should also be read in conjunction with the Statement on Risk Management and Internal Control (SORMIC) and the Audit and Risk Management Committee (ARMC) Report as well as other information in the Governance and Sustainability Statement accompanying this Annual Report.

The Board is committed to maintaining the highest standards of good governance to promote quality decision making and the execution of those decisions within a disciplined framework of policies and procedures.



PRINCIPLE A

Board Leadership And Effectiveness

The Board is accountable and responsible for the performance and affairs of the Company by overseeing and appraising the Company's strategies, policies and performance.

For further details, please refer to pages 88 to 93 of the Corporate Governance section.

PRINCIPLE B

Effective Audit And Risk Management

The Board upholds the integrity in financial reporting. The ARMC is entrusted to provide advice and assistance to the Board in fulfilling its statutory and fiduciary responsibilities relating to the Company's internal and external audit functions, risk management, compliance systems and practices, financial statements, accounting and control systems and matters that may significantly impact the financial condition or affairs of the business.

For further details, please refer to page 94 of the Corporate Governance section.

PRINCIPLE C

Integrity In Corporate Reporting And Meaningful Relationship With Stakeholders

The Board recognises the importance of effective communication with stakeholders. Corporate disclosure policies and procedures through the organisation's functions enable comprehensive, accurate and timely information relating to the Company to be disclosed to the shareholders and other stakeholders as well as to comply with the disclosure requirements as stipulated in the MMLR.

For further details, please refer to pages 94 and 95 of the Corporate Governance section.

Corporate Governance Overview Statement

PRINCIPLE A

Board Leadership And Effectiveness

The Board is accountable and responsible for the performance and affairs of the Company by overseeing and appraising the Company's strategies, policies and performance. The Board has adopted a Board Charter which clearly sets out the roles, functions, composition, operations and processes of the Board, having regard to the principles of good corporate governance and requirements of MMLR of Bursa Securities. The Board Charter further defines the matters that are reserved for the Board and its Committees as well as the roles and responsibilities of the Chairman and the Managing Director.

Under the Chairman's leadership, Board members share collective responsibility for corporate governance arrangements. The Board's roles and responsibilities are detailed in the Board Charter which is published on the Company's website at <https://aeongroupmalaysia.com/>. The latest revision of the Board Charter was on 27 August 2021.

I. BOARD ROLES AND THEIR RESPONSIBILITIES

Chairman

The Chairman is responsible for the operation and leadership of the Board, ensuring its effectiveness and setting its agenda. The profile of the Chairman is set out in page 73 of this Annual Report.

Managing Director/Chief Executive Officer (MD/CEO)

The MD/CEO is responsible for leading and managing the Company's business within a set of authorities delegated by the Board and for the implementation of the Company's strategies and policies. The profile of the MD/CEO, is set out in page 74 of this Annual Report.

Independent Non-Executive Directors

The primary responsibility of an Independent Non-Executive Director is to protect the interests of minority shareholders and other stakeholders. In addition, the Independent Non-Executive Directors play a key role in monitoring the implementation of the Company's strategy and business performance. The profiles of the Independent Non-Executive Directors are set out in pages 76 to 79 of this Annual Report.

Company Secretaries

The Company Secretaries play an advisory role to the Board, particularly with regards to the Company's Memorandum and Articles of Association, the Board policies and procedures, and its compliance with regulatory requirements and legislations. The Company Secretaries also advise the Board on the adoption of corporate governance best practices as recommended under the MCCG 2021.

The Company Secretaries ensure that deliberations at the Board and Board Committees meetings are well minuted, and matters arising from the Board and Board Committees meetings are subsequently communicated to the Management for appropriate actions.

The Company Secretaries, Ms Tai Yit Chan and Ms Tan Ai Ning, both from Boardroom Corporate Services Sdn. Bhd. are fellow members of the Malaysian Institute of Chartered Secretaries and Administrators and have more than 20 years of experience as Company Secretaries.



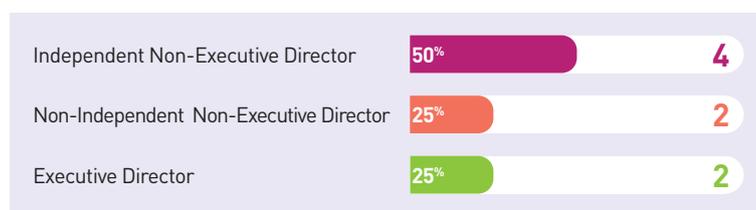
Corporate Governance Overview Statement

SKILL AND EXPERIENCE OF DIRECTORS*

Industry Experience	Functional Experience
<ul style="list-style-type: none"> - Retail And Consumer Goods - Public Services/Government Relations - Property And Construction - Automotive - Plantation - Banking 	<ul style="list-style-type: none"> - Strategy - Legal/Regulatory - Audit And Accounting - General Management - Human Capital - Sales And Marketing



BOARD COMPOSITION*



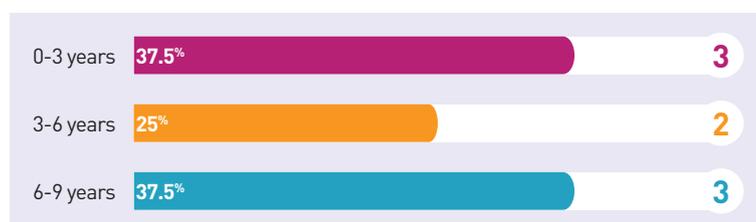
GENDER*



AGE*



TENURE (YEARS)*



NATIONALITY*



* As at 31 March 2022

Corporate Governance Overview Statement

PRINCIPLE A (CONT'D)

II. BOARD COMPOSITION

1. Board Composition and Balance

As at 31 December 2021, our Board comprised eight (8) Directors, comprising the Chairman (Independent Non-Executive), three (3) Independent Non-Executive Directors, two (2) Non-Independent Non-Executive Directors and two (2) Executive Directors.

The Company fulfills Paragraphs 15.02(1) of the MMLR of Bursa Securities which stipulates that at least two (2) Directors or one third (1/3) of the Board, whichever is the higher, are Independent Directors. The Company has at least half of the board comprised of Independent Directors which is sufficient to provide effective oversight of Management.

The profile of each Director is set out on pages 73 to 80 of this Annual Report.

2. Board Independence

The Board is mindful on the importance of independence and objectivity in its decision-making process in line with MCCG 2021 which is one of its focus areas on corporate governance.

The Board delegates to the MD/CEO who is supported by the AEON Leadership Council (ALC), which implements the Company's strategic plan, policies and decisions adopted by the Board to achieve the Company's objective of creating long term value for its shareholders through excelling in customer service and providing sustainable best-in-industry performance in retail industry.

The Company's Independent Directors are required to be independent of Management and free of any business or other relationship that could materially interfere with the exercise of unfettered and independent judgement considering the interest, not only of the Company but also of shareholders, employees, customers, partners and communities in which the Company conducts businesses. The Board, via the Nomination and Remuneration Committee (NRC) assesses each Director's independence to ensure ongoing compliance with this requirement annually. Encik Abdul Rahim Abdul Hamid is the Senior Independent Non-Executive Director to whom concerns on matters relating to corporate governance of the Company can be conveyed.

Any Director who considers that he/she has or may have a conflict of interest or a material personal interest or a direct or indirect interest or relationship that could reasonably be considered to influence in a material way the Director's decision in any matter concerning the Company, is required to immediately disclose to the Board and to abstain from participating in any discussion or voting on the respective matter.

During the financial year under review, KPMG Management and Risk Consulting Sdn Bhd had been engaged as an independent expert to assess the independence of the Company's Independent Non-Executive Directors and confirmed their independence.

The Board is aware that the tenure of an Independent Director should not exceed a cumulative term of nine (9) years as recommended by MCCG 2021 and twelve (12) years as mandated under the MMLR. An Independent Director may continue to serve the Board if the Independent Director is re-designated as a Non-Independent Non-Executive Director upon completion of nine (9) years tenure. If the Board intends to retain the Director as an Independent Director after the Director has served a cumulative term of nine (9) years but less than twelve (12) years, the Board must justify the decision and seek shareholders' approval at general meeting as prescribed under MCCG 2021. Once an Independent Director has served a cumulative term of his/her twelfth (12th) year, he/she will either be re-designated as a Non-Independent Non-Executive Director or retire as Director of the Company.

As at the date of this Statement, the Independent Non-Executive Directors, namely Datuk Syed Ahmad Helmi Syed Ahmad and Dato' Tunku Putra Badlishah Ibni Tuanku Annuar have reached a cumulative term of more than nine (9) years on 16 April 2022 whereby Encik Abdul Rahim Abdul Hamid will reach a cumulative term of more than nine (9) years on 16 August 2022. The Board (save for Datuk Syed Ahmad Helmi Syed Ahmad, Dato' Tunku Putra Badlishah Ibni Tuanku Annuar and Encik Abdul Rahim Abdul Hamid), based on NRC recommendation, have concluded that notwithstanding their 9-year tenures, Datuk Syed Ahmad Helmi Syed Ahmad, Dato' Tunku Putra Badlishah Ibni Tuanku Annuar and Encik Abdul Rahim Abdul Hamid continue to be independent within the definition and spirit of the MMLR. Our Board's view was corroborated by the Board Effectiveness Evaluation (BEE) which was carried out by an independent consultant, KPMG Management and Risk Consulting Sdn Bhd, in FY2022. The evaluation indicated that, among others, all three Directors displayed objectivity or detached impartiality, was active in fomenting discourse besides engaging in active questioning and has the ability to act with conviction based on principles while fostering a fair boardroom process. On this basis, our Board (save for Datuk Syed Ahmad Helmi Syed Ahmad, Dato' Tunku Putra Badlishah Ibni Tuanku Annuar and Encik Abdul Rahim Abdul Hamid) has recommended for the retention of all three Directors as Independent Non-Executive Directors at our 37th AGM to be held on 19 May 2022.

3. Board Committees and Delegation

The Board delegates the implementation of its strategy to the Company's Management. However, the Board remains ultimately responsible for corporate governance and the affairs of the Company. While at all times the Board retains full responsibility for guiding and monitoring the Company in discharging its responsibilities, the Board has established the following Board Committees to perform certain of its functions and to provide it with recommendations and advices:

- Nomination and Remuneration Committee (NRC); and
- Audit and Risk Management Committee (ARMC).

Corporate Governance Overview Statement

PRINCIPLE A (CONT'D)

The following diagram shows a brief overview of the main Board Committees of the Company, each of which is explained in further detail as below:-



Each Committee operates in accordance with the written Terms of Reference approved by the Board. The Board reviews the Terms of Reference of the Committees from time to time. The terms of office and performance of the ARMC is reviewed on regular basis by the NRC. The Board approves the appointment of the members and the Chairman of each Committee. The Terms of Reference of the Board Committees are published on the Company's website at <https://aeongroupmalaysia.com/>

4. Directors' Commitment

The Board endeavors to meet at least four (4) times a year, at quarterly intervals which are scheduled well in advance before the end of the preceding financial year to facilitate the Directors in planning their meeting schedules for the year. The Board is satisfied with the level of commitment given by the Directors towards fulfilling their roles and responsibilities as all the Directors had attended all of the Board meetings during the financial year under review.

All pertinent issues discussed at the Board meetings in arriving at the decisions and conclusions are properly recorded by the Company Secretaries.

The Board met five (5) times during the financial year under review. The details of Directors' attendance are set out as follows:

1.	Datuk Iskandar Sarudin (Independent Non-Executive Chairman)	5/5
2.	Shafie Shamsuddin (Managing Director)	5/5
3.	Tsutomu Motomura (Appointed as Executive Director on 21 January 2021)	4/4
4.	Datuk Syed Ahmad Helmy Syed Ahmad (Independent Non-Executive Director)	5/5
5.	Dato' Tunku Putra Badlishah Ibni Tunku Annuar (Independent Non-Executive Director)	5/5
6.	Abdul Rahim Abdul Hamid (Independent Non-Executive Director)	5/5
7.	Chong Swee Ying (Non-Independent Non-Executive Director)	5/5
8.	Soichi Okazaki (Non-Independent Non-Executive Director)	5/5
9.	Hiroyuki Kotera (Resigned as Executive Director on 21 January 2021)	1/1

It is the Board's policy for Directors to notify the Chairman before accepting any new directorship notwithstanding that the MMLR allows a Director to sit on the Board of five (5) Listed Issuers. Notification is expected to include an indication of time that will be spent on the new appointment.

In order to enable Directors to sustain active participation in the Board deliberations, Directors have access to continuing education programmes or trainings. During the financial year under review, Directors have devoted sufficient time to update their knowledge and enhance their skills by attending various trainings. Details of trainings attended by the Directors are set out on page 93 of this Statement.

Furthermore, the Directors from time to time visit existing stores and/or new sites/business outlets to familiarise and have thorough understandings and insights of the Company's operations and strategies.

5. NRC – Board Nomination and Appointment of Directors

In application with the Practice 1.4 of the MCGG 2021 whereby Chairman of the Board should not be a member of the Board Committees, Datuk Iskandar Sarudin had resigned as Chairman of the Nomination Committee and Remuneration Committee and in replacement thereof, Dato' Tunku Putra Badlishah Ibni Tunku Annuar was appointed and redesignated as Chairman of the NRC on 19 May 2021. Encik Abdul Rahim Bin Abdul Hamid was also appointed as Member of the NRC on 19 May 2021.

Corporate Governance Overview Statement

PRINCIPLE A (CONT'D)

The Nomination Committee and Remuneration Committee of the Company are then combined with effect from 19 May 2021 to be known as NRC. The Company's NRC comprises exclusively of Non-Executive Directors, a majority of whom are independent and comprises at least three (3) members in total. The composition of the NRC is as follows:

Dato' Tunku Putra Badlishah Ibni Tunku Annuar (Redesignated as Chairman on 19 May 2021)	Chairman (Independent Non-Executive Director)
Datuk Syed Ahmad Helmy Syed Ahmad	Member (Independent Non-Executive Director)
Encik Abdul Rahim Abdul Hamid (Appointed on 19 May 2021)	Member (Independent Non-Executive Director)
Datuk Iskandar Sarudin (Resigned on 19 May 2021)	Chairman (Independent Non-Executive Director)

The NRC is responsible for making recommendations to the Board on the most appropriate Board size and composition. This responsibility includes making recommendations on the desirable competencies, experience and attributes of the Board members and strategies to address Board diversity. In discharging its responsibilities, the NRC develops certain criteria used in the recruitment process and annual assessment of Directors. In evaluating the suitability of candidates, the NRC considers the following factors:

- skills, knowledge, expertise and experience;
- professionalism and integrity;
- commitment (including time commitment) and contribution;
- background, character and competence;
- fit and proper criteria;
- boardroom diversity; and
- in the case of candidates for the position of Independent Non-Executive Directors, the NRC shall also evaluate the candidates' ability to discharge such responsibilities/functions as are expected from Independent Non-Executive Directors.

The details are stated in the Terms of Reference of the NRC that is available on the Company's website at <https://aeongroupmalaysia.com/>

The Board may appoint an individual to be a Director by having a selection process for the new appointee as recommended by the NRC to the Board. The appointed individual will stand for election at the next Annual General Meeting (AGM) in accordance with the Articles of Association of the Company. The Board had utilised independent sources and recommendations from the Directors, Management and shareholders of the Company to identify suitable qualified candidate to be appointed as Director of the Company during the year. The NRC will assess and consider the suitability of the candidate based on the criteria set before recommending to the Board for appointment.

The NRC arranges induction for new appointments such as visits to the Company's significant businesses and meetings with the ALC, as appropriate, to enable the new appointee to have full understanding of the nature of the business, current issues within the Company and corporate strategies as well as the structure and management of the Company.

6. Board Assessment and Annual Evaluation

The NRC reviews annually the required mix of skills and experience of Directors, effectiveness of the Board as a whole, succession plans and Board diversity, including gender, age, ethnicity, backgrounds, training courses for Directors and other qualities of the Board such as core competencies, which Non-Executive Directors should bring to the Board.

The evaluation of the suitability of a candidate is solely based on the candidate's competency, character, time commitment, integrity and experience towards the needs of the Company. The results of the assessment and comments by Directors regarding the effectiveness of the Board and its Board Committees are tabled and discussed at the NRC meeting, which will then be reported at the Board meeting by the NRC Chairman. All assessments and evaluations carried out by the NRC are properly documented.

The NRC meets at least once in a year with additional meetings to be convened, if necessary. During the financial year under review, the Nomination Committee held three (3) meetings and the NRC held two (2) meetings to evaluate the suitability of candidate and recommend to the Board for appointment of a new Director, to review and assess the mix of skills, expertise, composition, size and experience of the Board, including the core competencies of both Executive and Non-Executive Directors, the contributions of each Director (including the Managing Director and Executive Directors), effectiveness of the Board and the Board Committees as well as changes to the Board's composition. KPMG Management and Risk Consulting Sdn Bhd had been engaged to assist with the 2021 BEE for the Company.

7. Re-election to the Board

The NRC reviewed the Directors' re-election to the Board and in accordance with the Company's Articles of Association, all the Directors are subject to retirement at the AGM every year.

8. Directors' Training

The Board, via the NRC, continues to identify appropriate briefings, seminars and courses for the Directors to attend in order to keep abreast with changes in legislations and regulations affecting the Company.

All Directors have completed the Mandatory Accreditation Programme (MAP). The Directors are mindful of the need to continue enhancing their skills and knowledge to maximise their effectiveness as Directors during their

Corporate Governance Overview Statement

PRINCIPLE A (CONT'D)

tenure. Throughout their period in office, the Directors are continually being updated on the Company's business and regulatory requirements.

During the financial year under review, the Board members attended briefings, conferences, forums, seminars and training programmes as follows:

Directors	Briefing/Conference/Forum/Seminar/Training attended	Date
Datuk Iskandar Sarudin	<ul style="list-style-type: none"> Enterprise Risk Management Awareness Training 	8 June
Shafie Shamsuddin	<ul style="list-style-type: none"> Financial Essentials for Directors 	20-21 January
	<ul style="list-style-type: none"> Nominating and Remuneration Committees: Beyond Box-Ticking and Enhancing Effectiveness 	15-16 March
	<ul style="list-style-type: none"> Doubling down on Corporate Governance Watch 2020 MCG 2021 	4 June
	<ul style="list-style-type: none"> Delivering Business Resilience in Transformative Times – Setting an Efficient Growth Framework 	1 July
	<ul style="list-style-type: none"> PETRONAS Board Excellence Programme – Effective Strategy for Stakeholder Management 	5-6 July
	<ul style="list-style-type: none"> PETRONAS Board Excellence Programme - Best Practice for Board Excellence 	15-16 October
	<ul style="list-style-type: none"> PETRONAS Working Backwards Immersion 	10 December
	<ul style="list-style-type: none"> 5 Critical Laws and Export Control 	Online Series
	<ul style="list-style-type: none"> Enterprise Risk Management Awareness Training 	8 June
Tsutomu Motomura	<ul style="list-style-type: none"> Enterprise Risk Management Awareness Training 	8 June
Datuk Syed Ahmad Helmy Syed Ahmad	<ul style="list-style-type: none"> Digital Disruptions – Winning Strategies for Legacy Companies 	12 August
Dato' Tunku Putra Badlishah Ibni Tunku Annuar	<ul style="list-style-type: none"> Digital Disruptions – Winning Strategies for Legacy Companies 	12 August
Abdul Rahim Abdul Hamid	<ul style="list-style-type: none"> Enterprise Risk Management Awareness Training 	8 June
	<ul style="list-style-type: none"> Digital Disruptions – Winning Strategies for Legacy Companies 	12 August
Chong Swee Ying	<ul style="list-style-type: none"> Enterprise Risk Management Awareness Training 	8 June
	<ul style="list-style-type: none"> Digital Disruptions – Winning Strategies for Legacy Companies 	12 August
Soichi Okazaki	<ul style="list-style-type: none"> Compliance Seminar in Japan 	29 September
	<ul style="list-style-type: none"> Top Seminar in Japan 	28-29 October

The Company Secretaries brief and highlight the relevant guidelines on statutory and regulatory requirements from time to time to the Board, among others, the amendments to the MMLR of Bursa Securities, the new requirements of MCG 2021 and the Companies Act 2016. The External Auditors also brief the Board members on any current and future changes to the Malaysian Financial Reporting Standards that affect the Company's financial statements.

III. DIRECTORS' REMUNERATION

The NRC also establishes sets of policies and framework as well as reviews the remuneration of Directors that is linked to strategy and/or performance or long-term objectives of the Company, to ensure that the Company is able to attract and retain capable Directors. The NRC adopts the ultimate holding Company's employee compensation plan to set the remuneration of its Executive Directors. The Executive Directors' remunerations are structured to link rewards to corporate and individual performance. In the case of Non-Executive Directors, the level of remuneration reflects the experience and level of responsibilities undertaken.

The determination of the remuneration packages is a matter for the Board as a whole. The Executive Directors concerned abstain from deliberating their own remuneration but may attend the NRC meetings at the invitation of the Chairman of the NRC if their presence is required.

During the financial year under review, the NRC reviewed and recommended the remuneration of the Managing Director and Executive Directors of the Company for Board's approval pursuant to the Terms of Reference of the NRC. Directors' fees and benefits payable to the Directors had also been reviewed and recommended by the NRC to the Board to seek shareholders' approval at the Company's forthcoming AGM pursuant to the Articles of Association of the Company. No Director is involved in deciding his/her own remuneration.

Corporate Governance Overview Statement

PRINCIPLE B

Effective Audit And Risk Management

I. AUDIT AND RISK MANAGEMENT COMMITTEE (ARMC)

The Board upholds the integrity in financial reporting. The ARMC is entrusted to provide advice and assistance to the Board in fulfilling its statutory and fiduciary responsibilities relating to the Company's internal and external audit functions, risk management, compliance systems and practices, financial statements, accounting and control systems and matters that may significantly impact the financial condition or affairs of the business. The ARMC is also responsible in ensuring that the financial statements of the Company comply with the applicable financial reporting standards in Malaysia.

The ARMC in its Terms of Reference provides that a former key audit partner has to observe a cooling-off period of at least three years before being appointed as a member of ARMC.

The ARMC comprises three members all of whom are Independent Non-Executive Directors, with Encik Abdul Rahim Abdul Hamid as the ARMC Chairman. The composition of the ARMC, including its roles and responsibilities, number of meetings and attendance of ARMC, a summary of ARMC activities and Internal Auditors' activities during the financial year under review are set out on pages 96 to 99 under the ARMC Report of this Annual Report.

II. RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK

The Board recognises its responsibilities over the Company's internal control and risk management framework.

The Board has established an ongoing process for identifying, evaluating and managing significant risks which may affect the Company's business objectives. The Board, through its ARMC, regularly reviews this process to ensure the internal control and risk management frameworks are adequate and effective.

The ARMC meets regularly to review the identified risks and discuss the mitigation actions in place, which are reported to ARMC quarterly.

The Board has via the ARMC established a risk management framework based on the principles and guidelines under Risk Management ISO 31000: 2010 (which is a standard relating to risk management codified by the International Organisation for Standardisation) for the setting of objectives, risk identification, assessment, prioritisation, mitigation and monitoring. The ARMC assists the Board to discharge these responsibilities by overseeing and reviewing the risk management framework and its effectiveness with the support of Risk Management Committee, led by the Deputy Managing Director. The ARMC processes are designed to establish a proactive framework and dialogue in which the ARMC, the Management, the External and Internal Auditors are able to review and assess the risk management framework. The Governance and Integrity Department reports to ARMC on quarterly basis.

As a priority, the Board continues to review the Company's risk management framework and oversee the Company's strategic risk management and internal control framework.

Details on internal control and risk management framework are set out on pages 100 to 106 under the Statement on Risk Management and Internal Control of this Annual Report.

PRINCIPLE C

Integrity In Corporate Reporting And Meaningful Relationship With Stakeholders

The Board recognises the importance of effective communication with stakeholders. Corporate disclosure policies and procedures through the organisation's functions enable comprehensive, accurate and timely information relating to the Company to be disclosed to the shareholders and other stakeholders as well as to comply with the disclosure requirements as stipulated in the MMLR.

The Board also establishes a dedicated section for corporate information disclosure on the Company's website (<https://aeongroupmalaysia.com/>) where information on the Company's announcements, financial information, share prices and the Company's annual reports can be found. Contact details of designated persons to address queries are also published on this website.

Corporate Governance Overview Statement

PRINCIPLE C (CONT'D)

The Company's Investor Relations (IR) unit, headed by the CFO, facilitates communication between the Company and the investment community. The Company's financial performance, major corporate developments and other relevant information are promptly disseminated to shareholders and investors via announcements of its quarterly results, annual report, corporate announcements to Bursa Securities and press conferences. Further updates of the Company's activities and operations are also disseminated to shareholders and investors through dialogues with analysts and fund managers, investor relations roadshows and the media.

Communication lines with local and foreign investors were kept open throughout FY2021. With physical interaction limited during the COVID-19 pandemic, engagements with investors/analysts were conducted virtually via online meetings. IR engagements are fronted by authorised spokesperson to ensure credibility and effective communication with the Company's shareholders and the investment community.

I. QUARTERLY FINANCIAL RESULTS ANNOUNCEMENTS AND ANALYST BRIEFINGS

The Company consistently issue our quarterly financial results announcements to Bursa Securities in accordance with MMLR in a timely manner. Subsequently, analyst briefings were conducted for investment communities to allow further clarification and interaction between the analysts and the management. The sessions were chaired by MD/CEO together with CFO. For FY2021, the Company conducted four virtual Results Briefings for Quarter 1, Quarter 2, Quarter 3 and Quarter 4, respectively. The quarterly announcements to Bursa Securities as well as press releases were published on AEON' corporate website.

Announcement of Unaudited Consolidated Results and Results Briefings held with analysts in FY2021

1 st Quarter ended 31 March 2021	2 nd Quarter ended 30 June 2021	3 rd Quarter ended 30 September 2021	4 th Quarter ended 31 December 2021
Announcement date : 19 May 2021	Announcement date : 27 August 2021	Announcement date : 24 November 2021	Announcement date : 23 February 2022
Briefing date : 20 May 2021	Briefing date : 1 September 2021	Briefing date : 24 November 2022	Briefing date : 24 February 2022

Analyst Coverage

8 research houses covered AEON's stock in FY2021 as follows:

1. Affin Hwang Capital
2. Hong Leong Investment Bank
3. KAF Equities Sdn Bhd
4. Kenanga Investment Bank Berhad
5. Maybank Investment Bank Berhad
6. MIDF Amanah Investment Bank
7. RHB Research Institute Sdn Bhd
8. TA Securities Holdings Berhad

II. ANNUAL GENERAL MEETINGS

AGM provides a platform for the shareholders to interact or engage directly with the Board. At the AGM, an overview on the Company's performance and major activities carried out during the financial year under review is presented. Shareholders are encouraged to enquire or comment about the Company's financial performance and business operations in general. Additionally, shareholders who participate in the deliberations of the proposed resolutions are given opportunities to seek clarification before proceeding to poll voting.

The Company's Thirty-Sixth (36th) AGM was conducted on 23 June 2021 through live streaming and online remote participation by using Remote Participation and Voting Facilities (RPV), which is in compliance with Section 327 of the Companies Act 2016. During the 36th AGM, the MD/CEO provided shareholders with a brief review on the Company's financial performance and operations, sustainability efforts undertaken by the Company, new business model as well as the future outlook of the Company and the key strategies to be taken by the Company in the near future. The Chairman informed that the Company had not received questions from the Minority Shareholder Watchdog Group (MSWG). The Chairman of the ARMC, Nomination Committee and Remuneration Committee were present at the last virtual AGM.

Notice of the 36th AGM was circulated at least twenty eight (28) days before the date of the meeting to enable shareholders to go through the Annual Report and papers supporting the resolutions proposed, which is in line with Section 316(2) of Companies Act 2016 and paragraph 7.15 of MMLR of Bursa Securities. Notice of AGM was also circulated in a national newspaper alongside an announcement on the website of Bursa Securities. This allowed shareholders to have immediate access of the notice of AGM and make necessary preparations for the AGM.



The CG Overview Statement was approved by the Board on 23 February 2022.

Audit And Risk Management Committee Report

The Company's Audit and Risk Management Committee (ARMC) was established to assist the Board in fulfilling its oversight responsibilities through a review of the financial reporting process, risk management, internal control systems and overall compliance with relevant applicable legal and regulatory requirements.

In discharging its responsibilities, the ARMC is guided by the ARMC Terms of Reference which was reviewed and approved by the Board on 24 November 2021 and can be downloaded from the Company's website at <https://aeongroupmalaysia.com>. The Board is pleased to present the ARMC Report for the financial year ended 31 December 2021.

COMPOSITION

The ARMC comprises the following members:

Name	Directorship
Abdul Rahim Abdul Hamid (Chairman)	Independent Non-Executive Director
Dato' Tunku Putra Badlishah Ibni Tunku Annuar (Member)	Independent Non-Executive Director
Datuk Syed Ahmad Helmy Syed Ahmad (Member)	Independent Non-Executive Director

The composition of the ARMC complies with Paragraphs 15.09 and 15.10 of the Main Market Listing Requirements in the following respects:

- the ARMC comprises three members, all of whom are Independent Non-Executive Directors including the ARMC Chairman; and
- at least one member of the ARMC fulfills the qualification criteria as ARMC Chairman is a member of the Malaysian Institute of Accountants, Fellow of the Association of Chartered Certified Accountants and Member of the Malaysian Institute of Certified Public Accountants.

The composition of our ARMC also complies with Practice 8.2 of the MCCG 2021 which states that a former key audit partner shall not be appointed as a member of the ARMC until the expiry of a three-year cooling-off period as our ARMC Chairman has retired in June 2004 as Deputy Executive Chairman of PricewaterhouseCoopers, and no other ARMC members are audit partners. The ARMC composition has also met the step-up Practice 9.4 of the MCCG 2021 where the ARMC is to be comprised solely of Independent Non-Executive Directors.

The NRC reviews the terms of the office and performance of the ARMC and each of its members annually to distinguish whether the ARMC and the members have carried out their duties in accordance with the Terms of Reference.

During the financial year under review, the NRC had engaged the services of KPMG Management and Risk Consulting Sdn Bhd to conduct the BEE, through which the Board has reviewed and considered the skills and experience of the ARMC members as shown by their profiles, to be sufficient and relevant to enable the proper discharge of responsibilities by the ARMC. The ARMC composition has further complied with additional stipulations in the ARMC Terms of Reference that:

- each member shall be financially literate and must be able to understand matters under the purview of the ARMC including the financial reporting process; and
- the Chairman of the Board shall not be the Chairman of the ARMC.

Audit And Risk Management Committee Report

MEETINGS AND ATTENDANCE

During the financial year under review, the ARMC convened four (4) meetings. The attendance records of the members of the ARMC are as follows:

Abdul Rahim Abdul Hamid	
Chairman / Independent Non-Executive Director	4/4 100%
Dato' Tunku Putra Badlishah Ibni Tunku Annuar	
Member / Independent Non-Executive Director	4/4 100%
Datuk Syed Ahmad Helmy Syed Ahmad	
Member / Independent Non-Executive Director	4/4 100%

The CFO and Chief Governance Officer (CGO) were invited to attend all the ARMC meetings to facilitate deliberations as well as provide clarification on audit and risk related matters and the Company's operations. The Head of Internal Audit attended all ARMC meetings to table internal audit reports. Where required, the relevant Management representatives were invited to present and/or provide explanation to our ARMC on specific control lapses and issues noted from audit reports as well as clarification on their respective areas of responsibilities.

The representatives of the external auditor, Messrs KPMG PLT have attended two (2) meetings for the financial year ended 31 December 2021 to present their reports on external audit and review matters. The Company Secretary acts as the Secretary of the ARMC and was present in all the meetings.

SUMMARY OF KEY ACTIVITIES DURING THE YEAR UNDER REVIEW

During the year under review, the ARMC performed its duties in accordance with its Terms of Reference. The summary of activities that the ARMC carried out during FY2021 are described below:

Financial Reporting Results	a. Reviewed compliance by the Company with the accounting standards issued by International Financial Reporting Standards (IFRS) and incorporated in Malaysian Financial Reporting Standards (MFRS). The ARMC also focused on changes to accounting policies, adoption of new accounting standards such as MFRS16: Leases; and
	b. All quarterly financial results and the audited financial statements for FY2021 were reviewed and recommended to the Board for approval.

External Audit

- Reviewed and approved the appointment of External Auditors, taking into consideration their competencies, commitments, objectivity and independence;
- Reviewed and approved the scope of work and audit plan for FY2021;
- Reviewed External Auditors' term of reference of their appointment and their audit and non-audit related fees for FY2021 for recommendation to the Board for approval;
- Reviewed and discussed the External Auditors' audit report of the Financial Statement and key audit matters;
- Reviewed External Auditors' management letters and management responses;
- Completed the annual External Auditor assessment prior to the recommendation for re-appointment to the Board for approval; and
- In FY2021, the ARMC held two (2) meetings with the External Auditors on 23 February 2021 and 23 November 2021 without management's presence, to allow the External Auditors to discuss issues arising from the audit exercise and/or any other matters.

Internal Audit

- Reviewed and approved the annual internal audit plan for FY2021 based on the risk assessment conducted to ensure adequate scope and comprehensive coverage of the Company's activities;
- Reviewed and deliberated on internal audit reports tabled during the year, the audit recommendations made, and Management's response to these recommendations. Significant issues were discussed at length with the presence of relevant Management team members to ensure satisfactory response to address identified risks;
- Monitored the implementation of mitigating actions by Management on outstanding issues on a quarterly basis to ensure that all key risks and control weaknesses were properly and timely addressed;
- In FY2021, the ARMC held two (2) meetings with the Head of Internal Audit on the 23 February 2021 and 23 November 2021 without management's presence for discussion on the audit related matters and activities of the Internal Audit Department; and
- Reviewed and approved the Key Performance Indicators, performance, competency and resources of the Internal Audit functions for FY2021 to ensure that it has the required expertise and professionalism to discharge its duties.

Audit And Risk Management Committee Report

Related Party Transaction (RPT) and Recurrent Related Party Transactions (RRPT)	a. Reviewed RPTs and RRPTs of the Company on a quarterly basis and also the Internal Audit reports detailing the results of review on proposed RPTs to ensure compliance with the Companies Act 2016, MMLR of Bursa Securities and the MFRS. From the approved RRPT mandate, the ARMC is satisfied that there were reasonable controls in monitoring the amounts transacted during the year.
	b. Reviewed the RPTs entered into by the Company with related parties to ensure that: <ul style="list-style-type: none"> (i) RPTs were conducted based on the Company's normal commercial terms and are not detriment to our Company's minority shareholders; (ii) proposed disclosures were made in compliance with the MMLR; and (iii) Actual transaction values for the RRPTs are within the mandate approved by our shareholders.
	c. Reviewed the estimated RRPT mandate for the ensuing year and the Circular to Shareholders in respect of new and renewal of shareholders' mandate for RRPTs prior to seeking Board approval.
Risk Management and Internal Control	<p>In FY2021, AEON engaged a governance advisory firm to review the Company's risk management framework, processes and internal control procedures to strengthen and assure a sound system of risk management and internal control to safeguard shareholders' investments, protect stakeholders' interest and the assets of the Company.</p> <p><i>The details of the risk management are reported separately under the Statement on Risk Management and Internal Control on pages 100 to 106 of this Annual Report.</i></p>
Governance and Regulatory Compliance	a. Monitored the compliance requirements in line with the new updates of Bursa Securities, Securities Commission, Malaysian Accounting Standards Board and other legal and regulatory bodies.
	b. Reviewed and discussed the Japanese Sarbanes Oxley (J-SOX) Compliance Assessment Progress Report for the Company.
	c. Reviewed the Terms of Reference of the ARMC to be in line with MCCG 2021 prior to the recommendation to the Board for adoption.
Annual Report	<p>a. Reviewed and endorsed the following:-</p> <ul style="list-style-type: none"> • Audited Financial Statements for FY2021; • Statement on Risk Management and Internal Control; and • The Corporate Governance Overview Statement, Corporate Governance Report and ARMC Report prior to Board's approval for inclusion in the Annual Report 2021.
Other Activities	Reported to the Board on its activities and significant findings and results of the External and Internal Audit recommendations.

Key Matters Considered

The ARMC receives updates on key governance matters, audit initiatives and issues across the Company at each Committee meeting. The ARMC also reviews and reports to the Board on significant matters including financial reporting, significant judgements made by the Management, significant and unusual events or transactions, and how these matters are addressed.

Some of the areas and key matters considered by the ARMC during the financial year include:

Significant Initiatives/Issues	Matters Considered	Outcomes
<p>(a) Effectiveness of Enterprise Risk Management (ERM) structure and process</p> <p>(b) Development of fit-for-purpose Business Continuity Management</p> <p>(c) Strengthening of Anti-Bribery and Anti-Corruption Policy (ABAC)</p>	<ul style="list-style-type: none"> • Review of framework, processes, formalising governance structure, review and realignment of risk registers, embedding risk mindset and culture • Establish clear business continuity plan (BCP), disaster recovery plan (DRP) and crisis management and communication • Developing integrity manual comprising the framework, corruption risk management and organisational anti-corruption plan (OACP) 	<p>Engaged a governance advisory firm for Project TRUST to provide professional review and revision of the Company's ERM manual and risk profiles, to establish a business continuity and disaster recovery plan and heighten the process and procedures related to Anti-Bribery and Corruption, integrating ERM, BCM and ABAC into one governance model aligning to the Company's transformation and organisational restructuring.</p>
<p>(d) Assessment of current business processes and procedures</p>	<ul style="list-style-type: none"> • Outdated and incomplete SOPs to address operation gaps and improve governance processes within the Company's operations. 	<p>Update the SOPs to adapt to business changes which includes reorganising its structure, standardise formats, transforming manual SOPs into a digitalised dashboard SOPs and providing a centralised library and access for all employees via a system called Project CARA.</p>

Audit And Risk Management Committee Report

Internal Audit Function

Audit activities are carried out by the Internal Audit Division led by the Head of Internal Audit, Mr. Lee Choon Lam. He has the qualification of Chartered Institute of Management Accountant (CIMA), a Chartered Accountant, member of the MIA and Professional Member of the Institute of Internal Auditors Malaysia.

The Internal Audit Division provides independent and reasonable assurance to add value and improve the operations of AEON. The Head of Internal Audit is guided by its Charter which specifies functional reporting to the ARMC and administrative reporting to the MD/CEO to allow an appropriate degree of independence from the operations of the Company. The ARMC reviews and approves the annual Internal Audit plan with periodic reviews to ensure business alignment, appropriate risk assessment and audit methodology, and to ensure robustness in the audit planning process.

The Internal Audit function in AEON is guided by its Charter. The Internal Audit Charter sets out the purpose, authority, responsibilities and reporting of the Internal Audit function which encompasses:

- a. Examination and evaluation of the adequacy, integrity and effectiveness of the Company's overall system of internal control, risk management and governance;
- b. Review RPTs and reports to ascertain that the review procedures established to monitor the RPTs have been complied with the MMLR of Bursa Securities;
- c. Review Japanese Sarbanes Oxley (J-SOX) Compliance as part of the Company's requirement;
- d. Monitor and evaluate governance processes in accordance to the requirement of the current MCG 2021; and
- e. Investigate and report on suspicious and fraud cases, if any.

Reviews are carried out based on the approved Audit Plan for FY2021, which was developed using a risk-based approach and in line with the Company's direction. The Audit plan was assessed on a quarterly basis in alignment with the business and risk environment.

The Internal Audit function is based along the principles and guidelines promulgated by the Institutes of the Internal Auditors (IIA) in International Professional Practices Framework (IPPF) for an Internal Audit function. AEON is a corporate member of IIA Malaysia.

The Internal Audit functions in a manner consistent with the International Standards for the Professional Practice of Internal Auditing (ISPPA) together with its Code of Ethics that encompass all the mandatory elements of the IPPF, which demonstrate its practices are in line with a recognised framework. The principles to have an effective Internal Audit function has been outlined in the Internal Audit Charter and the Internal Audit Manual. The Internal Audit Manual outlines risk-based auditing approach in accordance with the ISSPIA.

For each audit, a systematic methodology is adopted, which primarily includes performing risk assessment, developing audit planning memorandum, conducting audit, convening exit meeting and finalising audit report. The audit reports detail out the objectives, scope of audit work, findings, management responses and conclusion in an objective manner and are distributed to the responsible parties. As part of continuous improvement, the Internal Audit function intends to undertake an external Quality Assurance Review once every five years by a qualified, independent assessor from an external organisation. It is expected to be conducted in FY2022.

For the financial year under review, twenty-two (22) audits were completed on various operations units at stores, malls and head office. All audit findings were highlighted to relevant Management team members responsible for ensuring that corrective actions on reported weaknesses are taken within the required timeframe. Summary of the audit reports were issued to the ARMC quarterly, incorporating the findings and Management's remediation actions.

The Internal Audit Division comprises nine (9) auditors with mix level of expertise. During the year, the Internal Auditors attended various external training programmes, aimed at maintaining and enhancing the desired competency levels. The Internal Auditors also attended training programmes on Code of Conducts and the Head of Internal Audit has signed on Annual Declaration for Assessment of Conflict of Interest in adherence to AEON Code of Conducts. In order to maintain its independence and objectivity, the Internal Audit Division has no operational responsibility and authority over the audited activities. The total costs incurred for the Internal Audit function for FY2021 was RM 760,000 (FY2020: RM 782,185).

The ARMC Report is made in accordance with a resolution and approved by the Board on 23 February 2022.

Statement On Risk Management And Internal Control

The Board is pleased to present the Statement of Risk Management and Internal Control (SORMIC or this Statement) which outlines the nature of risk management and internal controls within the Company for the financial year ended 31 December 2021.

This Statement is prepared pursuant to paragraph 15.26(b) of the Main Market Listing Requirements and guided by the “Statement on Risk Management and Internal Control – Guidelines for Directors of Listed Issuers” issued by Bursa Securities. Risk management and internal controls are embedded in all business activities within the Company.

RESPONSIBILITIES AND ACCOUNTABILITIES

1. BOARD'S RESPONSIBILITIES

The Company is led by the Board. The Board has delegated the governance and risk management responsibilities to ARMC which ensure independent oversight of internal controls and risk management. Notwithstanding the delegated responsibilities, the Board affirms its responsibility for overseeing and ensuring a sound system of risk management and internal control for the Company. Such a system covers not only controls on the financial aspects, but also matters relating to operational, investment, risk management and compliance with applicable laws, regulations, and guidelines. Effective risk management helps the Company achieve its optimal performance and profitability targets by incorporating risk information for decision making. The Board has an established ongoing process for identifying, evaluating, prioritising and managing the significant risks encountered by the Company. The Board through its ARMC regularly reviews this process. The Board is cognisant of the importance of having in place an integrated approach to manage key risks in achieving the Company's business objectives. The Board also recognises the fact that internal control systems are designed to manage and minimise rather than eliminate and avoid the occurrence of material misstatements, unforeseeable circumstances, fraud or losses.

• ARMC

The key responsibility of the ARMC is to assist the Board in fulfilling the Board's statutory and fiduciary responsibilities of monitoring the Company's management of financial risk processes and quality of the Company's accounting function, financial reporting and the internal control systems. This involves the implementation of an effective ethics programme and monitoring compliance of established policies and procedures.

The ARMC also assists the Board in providing oversight, direction and counsel on the overall risk management process; establishing and reviewing the risk management framework, processes and responsibilities; as well as assessing whether they provide reasonable assurance that risks are managed within tolerable ranges. The ARMC is also entrusted to set the tone and culture towards effective risk management and control within the Company. The ARMC presents its findings to the Board quarterly.

The Board has received assurance from the MD/CEO and the Deputy Managing Director that the Company's risk management and internal control system are operating adequately and effectively, in all material aspects, based on the risk management and internal control system of the Company during the financial year under review and up to the date of this Statement. In discharging its duties, the ARMC is supported and assisted by the Risk Management Committee (RMC).

The responsibilities of the ARMC are detailed on pages 96 to 99 of this Annual Report.

2. MANAGEMENT'S RESPONSIBILITIES

The Management via the RMC acknowledges their responsibilities to identify, evaluate, prioritise, mitigate and continuously monitor the risks faced by the Company's system of internal controls. The RMC is responsible for implementing Board-approved frameworks, policies and procedures related to risk management and internal controls. The RMC is also accountable for identifying, assessing and monitoring the risks that may impede the Company's goals and objectives.

The RMC's responsibilities includes but not limited to the following:

- a. To ensure that at least four (4) meetings are held during the financial year to deliberate on existing risk profiles and continuously embedding the risk management process to identify emerging risk(s) and propose actions to mitigate and thereafter monitor;
- b. Annual review of ERM Manual, including framework, process, appetite statement and policies.
- c. Identify and determine ERM risks to maximise opportunity based on AEON's appetite statement;

Statement On Risk Management And Internal Control

- d. To ensure adequate controls and management action plans are in place and aligned to achieving organisation Objective Key Results (OKR);
- e. Overall assessment of the effectiveness of internal controls;
- f. Periodical review on major and serious workplace incidents and/or accidents to deliberate on additional preventive measures;
- g. Review and discussion of internal audit findings and reporting; and
- h. Periodical updates on disciplinary, code of conduct and integrity related cases.

Risk Governance Structure

The Risk Governance set out the roles and responsibilities of the Board, the ARMC and the risk owners involved in the three (3) lines model for risk management which consist of operation and business unit heads as the first line of defense, the Governance and Integrity Department (GID) as second line of defense and Internal Audit division as the third line of defense.

Risk Appetite

The Company's risk appetite defines the level of risk that the Company is prepared to accept to achieve its mission and objective. The risk appetite statement serves as a guide for the Company in formulating and planning the risk-taking activities in line with the Company's mission and strategy.

AEON's Risk Appetite Statement includes measurable guidelines demonstrating AEON's risk tolerance levels. Risk tolerance are boundaries of risk taking; outside of which AEON is not prepared to accept. Any critical breach of risk tolerance limits will be reported immediately to the Board directly by the Chairman of the ARMC. Any breach will warrant one of the following:

- Review effectiveness of internal control/mitigation action; or
- Recalibrate appetite (or limits) if they no longer reflect AEON's actual risk appetite

Key Risk	Risk Appetite Statement	Impact on Policy and Procedures
Product Quality	<ul style="list-style-type: none"> • AEON does not tolerate any sub-standard/defective product which are sold by its business or its tenants which may cause any harm to its users or those who come in contact with it. 	<ul style="list-style-type: none"> • Policy on sourcing criteria, evaluation of product and suppliers. • Significant in-house resources in monitoring requirements on critical areas such as food safety and hygiene and product compliance for Private Brand.
Health and Safety	<ul style="list-style-type: none"> • AEON regards health and safety as core indicator of its business success. • AEON does not tolerate any activities where adequate measures in preventing foreseeable death/debilitating injuries was not deployed effectively. 	<ul style="list-style-type: none"> • Defines AEON's tolerance with regards to health and safety risk. • Reinforces significances of AEON's Safety and Security, especially in terms of clarifying overall direction with regards to Health and Safety standards.
People	<ul style="list-style-type: none"> • AEON does not tolerate any labour exploitations within its business and amongst its suppliers and tenants. • AEON commits itself in adhering to international standards on ethical labour standards, which is at minimum guided by local laws and regulation. 	<ul style="list-style-type: none"> • Reinforces communication and monitoring of compliance to AEON's standards on ethical labour practices within the Company.
Integrity	<ul style="list-style-type: none"> • AEON will not tolerate any bribery, fraud or other acts of corruption by its employees, agents, vendors and tenants when acting for or on behalf of AEON. 	<ul style="list-style-type: none"> • Reinforces significances of AEON's MACC Integrity Pledge which was undertaken by ALC, management and operation leaders in the Company. • Defines the stance undertaken and communicated to stakeholders via AEON People Handbook and Supplier Code of Conduct. • AEON Industrial Relations Manual Guideline that stipulates the categories of misconducts, the internal process and procedures in managing any employee's misconduct.
Regulatory	<ul style="list-style-type: none"> • AEON endeavours to comply with all relevant legislation and does not tolerate any significant non-compliance that led to loss of trust/reputation and/or imprisonment of officials in relations to their duty in/for AEON. 	<ul style="list-style-type: none"> • Various policies and procedures provide clarification and guidance in preventing any significant non-compliance, and where applicable, make reference to provisions of laws deemed significant.

Statement On Risk Management And Internal Control

Key Risk	Risk Appetite Statement	Impact on Policy and Procedures
Natural Environment	<ul style="list-style-type: none"> AEON does not tolerate significant non-compliance practices that pollutes the environment or endangers any wildlife contrary to environmental and conservation standards prescribed by local laws and/or which may cause public outrage. 	<ul style="list-style-type: none"> Defines AEON's tolerance with regards to impact of its operations and practices which may harm the environment.
Technology Disruption	<ul style="list-style-type: none"> AEON will seek to minimise risk of technological disruption by continuously exploring synergetic opportunities with technological partners or other means in order to innovate its product offering as part of its digital-proofing strategies. 	<ul style="list-style-type: none"> Defines AEON's tolerance towards technology disruption arising from failure in embracing digitalisation.
Data Security	<ul style="list-style-type: none"> AEON does not tolerate any leakages of confidential information and/or illegal manipulation of legal information (e.g. customer and employees personal data). 	<ul style="list-style-type: none"> Defines AEON's tolerance to data leakages and/or illegal manipulation of information such as accounting records, personal data etc. Clarifies AEON's mandate and direction in adopting best practices in strengthening cybersecurity.
Sustainability	<ul style="list-style-type: none"> AEON has adopted a multifaceted approach towards sustainability by aligning itself with 9 out of 17 United Nations SDGs, therefore does not tolerate any endeavours or practices that runs counter to this. 	<ul style="list-style-type: none"> Clarify AEON's emphasis on sustainability by incorporating it in corporate vision and mission statements. AEON's sustainability strategy is codified in the AEON Strategy Playbook which covers sustainability by future proofing the business.

- Governance and Integrity Department (GID)**

Risk management function is one among many functions under the scope of Risk Prevention Department previously. However, since September 2021, the Risk Prevention department has been restructured and the portfolio of risk management, business continuity management and integrity has been reassigned to a new department, GID.

The Head of GID reports directly to the CGO and she has been assigned as the secretary of the RMC. GID has four (4) staff including the Head of GID.

- Risk Management Policy**

AEON Risk Policy covers four (4) key areas which govern the implementation of ERM as clearly defined in the ERM Manual. The four (4) key areas are as follows:

- General Risk Policies – relevance of ERM framework, compliance of ERM framework, awareness and capabilities, risk culture, application of risk management, ERM process, consultation and communication, and confidentiality and use of risk information.
- Risk Identification – triggers for risk identification and review, frequency of risk identification and review, approval of new risk and changes, and appointment of risk owners.
- Risk Analysis and Assessment – risk analysis, review of risk analysis, risk assessment, aggregation of Company-level risks, objectivity and robustness and risk analysis and assessment, approval of risk register, risk treatment action plan, and key risk indicators.
- Risk Monitoring and Reporting – risk monitoring and risk reporting.

Statement On Risk Management And Internal Control

Some of the key activities of GID for FY2021 includes but not limited to:

Key Activities of FY2021	a. Project management
	b. COVID Task Force
	c. Operation Support

- Leading, planning, coordinating and continuously communicating with management, business units and operation to facilitate and ensure timely deliverables of Project TRUST.
- Developing daily dashboard of COVID cases involving AEON People, tenant partners and other stakeholders;
- Liaising with Ministry of Health to check on latest information, revising and updating internal COVID-19 SOP;
- Communicating between ALCs and stores to coordinate and execute measures and recommendations proposed by Ministry of Health and state authorities; and
- Preparing additional safety guidelines for AEON People and stakeholders.
- Store visits, risk assessment, provide advise and guideline to operation leaders for matters related to risk management and business continuity plan.

In FY2022, GID will focus on:

Focus Areas for FY2022	a. Strengthening the Company's ERM practices and processes by establishing a working committee who are representatives from various business units, focusing on empowering each of them to develop a risk mindset and embed the risk process into their daily work, organisation culture and decision making;
	b. Continue with the Business Continuity Management (BCM) implementation by performing Business Impact Analysis (BIA), identifying the critical business processes, perform a disaster recovery simulation and formalise the crisis management and communication framework;
	c. Review and revise the reporting channel related to whistleblowing;
	d. Formalising an internal structure to oversee whistleblowing and integrity matters at the management level;
	e. Development and finalise the Company's Organisational Anti-Corruption Plan (OACP);
	f. Review current policies and propose new policies, especially for Trade Procurement and Non-Trade Procurement practices; and
	g. Introduction of e-learning platform for integrity and BCM topics.

We will update more information on our framework and policies for BCM, Anti-Bribery, Whistleblowing and enhancement of procurement framework and process in our corporate website from time to time and in the next annual report.

Risk Management Process adopted by the Company are as follows:



The above section outlines the establishment of the understanding of the business and operating environment, establishing risk ownership, identifying risks that will have adverse impact to the Company's objectives, analysing root causes, developing the appropriate risk treatment and continuously monitor and report risks on a periodical basis.

The Company adopts the Risk and Control Self-Assessment method to regulate the risk management process for corporate and operational level. Through implementation of risk profile, it allows the respective business units, including the individual stores and shopping malls to perform risk activities, such as identify, prioritise, undertake the adequate mitigation strategies and plan, evaluate and continuously monitor the controls.

Statement On Risk Management And Internal Control

CONTROL STRUCTURE AND ENVIRONMENT

THE INTERNAL CONTROL PROCESSES

The main key aspects of internal control processes are:

- The management structure of the Company formally defines lines of responsibility and delegation of authority in all aspects of the Company's affairs. Senior management and business unit managers submit and present their operational performance reviews, business plans and strategic measures to ALC;
- The Board approves the annual budget and reviews key business indicators and monitors the achievements of the Company's performance on a quarterly basis;
- The authorisation limits and approvals authority threshold of the Company encompasses internal control procedures. These procedures are subject to review by the Management to incorporate changing business risks and operational efficiency;
- The ARMC is responsible for reviewing the audited financial statements and the quarterly announcements, and recommends to the Board for approval prior to submission to Bursa Securities;
- The Internal Audit Department (IAD) periodically audits the effectiveness and evaluates the functionality of the internal control system to ascertain compliance with the control procedures and policies of the Company. The Head of Internal Audit reports to ARMC on the conditions of internal control systems on a quarterly basis;
- Project teams are set up from time to time to address business and operational issues to meet the business objectives and operational requirements of the Company; and
- The Head of Internal Audit provides an independent assessment of the adequacy of the risk management process. He reports to the ARMC on the effectiveness of the risk management.

The Company has established an internal control structure and is committed to continuously evaluate, enhance and maintain the structure to ensure effective control over the Company's business operations as well as to safeguard the value and security of the Company's assets. There is a clearly defined operating structure with lines of responsibility and delegated authority to assist the Board to maintain proper control. The key elements that support the control structure and environment are described as follows:

1. BOARD COMMITTEES HAVE CLEARLY DEFINED ROLES AND TERMS OF REFERENCES

Respective Board Committees have individual roles and Terms of Reference with clearly defined functions, authority and responsibilities. The Board delegates certain functions to the following Committees to assist in the execution of its responsibilities:

- (i) ARMC; and
- (ii) NRC.

The functions and Terms of Reference of the Board Committees as well as authority delegated by the Board to them have been approved by the Board and are reviewed from time to time to ensure they are relevant and up-to-date. The Committees examine specific issues and the Chairmen of the respective Board Committees report to the Board on the key issues deliberated during the Committee meetings with their recommendations. The ultimate responsibility for decision making lies with the Board.

2. INDEPENDENCE OF THE ARMC

Members of the ARMC, comprising exclusively Non-Executive Directors of the Board, are persons of high calibre and integrity; they collectively possess vast experience, knowledge and expertise across many industries. The ARMC plays a significant role in helping the Board to fulfil its oversight responsibilities through the review of financial information and to provide an unbiased review of the effectiveness and efficiency of the Company's internal controls from an independent perspective.

The ARMC has explicit authority to review and investigate any matters within its terms of reference and has:

- (i) the required resources to perform its duties;
- (ii) full and unrestricted access to any information pertaining to the Company including the support and cooperation from Management;
- (iii) direct communication channels with both the External and Internal Auditors to obtain independent professional advice; and
- (iv) the right to convene meetings with the External Auditors, the Internal Auditors, or both without the presence of other Executive Directors and employees of the Company, whenever deemed necessary.

In addition, the ARMC also ensures the objectivity, effectiveness and independence of the Internal Audit Function (IAF) of Management. The direct accountability of IAF to the ARMC enables the internal audit activity to be independent, and the Internal Auditors to be objective in performing their responsibilities. During the year under review, the ARMC Terms of Reference (TOR) was reviewed and approved by the Board on 23 November 2021.

The details of the ARMC TOR can be found in the Company's website at <https://aeongroupmalaysia.com/>.

3. INTERNAL AUDIT

The IAD which is an integral part of the Company's internal control systems, reports directly to the ARMC. The IAD's primary role is to provide independent and objective assurance designed to add value and improve efficiency of operations within the Company. It assists the Company in achieving its objectives by bringing a systematic and disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes. The mission for internal auditing is to enhance and protect organisational value by providing risk-based and objective assurance, advice and insight.

The annual internal audit plan, established on a risk-based approach, is reviewed and approved by the ARMC annually. The IAD's performance and conduct is guided by The International Standards for the Professional Practice of Internal Auditing (the IIA Standards) and the International Professional Practices Framework (IPPF). IPPF is the conceptual framework that organises authoritative guidance promulgated by the Institute of Internal Auditors (IIA).

The IAD is also guided by the MCCG 2021 established by Bursa Securities.

Statement On Risk Management And Internal Control

4. DOCUMENTED INTERNAL POLICIES AND PROCEDURES

The Company periodically reviews, updates and establishes the internal policies and standard operating procedures for improvement and to reflect the changes in the business structure and processes as and when necessary. The main policies and procedures are as follows:

4.1 Whistleblowing Policy and Guidelines

As part of the Company's continuous effort to ensure good corporate governance practice, the Company has established a Whistleblowing Policy and Procedures with avenue for AEON People and members of the public to disclose any improper conduct or irregularity within the Company with assurance that they will be protected from possible reprisals or victimisation. The Company is committed to the highest standard of integrity, openness and accountability in the conduct of its business and operations. It aspires to conduct its affairs in an ethical, responsible and transparent manner. The Whistleblowing Policy and Procedures can be found on the Company's website at <https://aeongroupmalaysia.com/>. This Policy is in the process of review and expected to be expected to be revised by the end of FY2022.

4.2 Anti-Bribery and Corruption Policy

Pursuant to the amendments to the MMLR of Bursa Securities in relation to anti-corruption measures, the Company has established an Anti-Bribery and Corruption (ABC) Policy in accordance with the new Section 17A of the Malaysian Anti-Corruption Commission (MACC) (Amendment) Act 2018 on corporate liability for corruption with effect from 1 June 2020. The development of the ABC policy and procedures, at a minimum, guided by the Adequate Procedures issued pursuant to Section 17A(5) of the MACC (Amendment) Act 2018. The Company is committed towards implementing the necessary actions to meet the requirements of the Adequate Procedures and will continuously enhance and promote measures for better governance and ethical culture at the workplace. The ABC Policy can be found on the Company's website at <https://aeongroupmalaysia.com/>.

4.3 AEON Code of Conduct (ACOC)

ACOC which was established by AEON Co., Ltd. in Japan has been adopted by the Board to support the Company's objectives, vision and values. The basic principles have been carried out by having appropriate regards to the interests of the Company's customers, shareholders, AEON People, business partners and the broader community in which the Company operates. All employees are briefed and provided with a copy of the ACOC on the commencement of their employments. All employees attend a refresher seminar on the ACOC annually. The principles of ACOC are constantly made aware to employees through citation in employees assemblies. The ACOC can be found on the Company's website at <https://aeongroupmalaysia.com/>. The Board recognises the importance on adherence to the ACOC by all personnel in the Company and has put in place a process to ensure its compliance. The Company further encourages its employees to provide feedback on any concerns regarding illegal or unethical conduct via its existing Code of Conduct Hotline.

4.4 Procurement Policy

As part of the Company's continuous effort to ensure good corporate governance practice, the Company is in the midst of updating the Company's Procurement Policy and Procedures.

4.5 Sustainability Policy

As part of the Company's continuous effort to ensure good corporate governance practice, the Company is in the midst of establishing the Company's Sustainability Policy and Procedures.

4.6 Disaster Recovery Plan

As part of the Company's continuous effort to ensure good corporate governance practice, the Company is in the midst of finalising the update of the Company's Disaster Recovery Plan.

5. MONITORING AND REVIEW

The processes adopted to monitor and review the effectiveness of the internal control system are as follows:

- i) All business units submit monthly Management Reports to their respective ALC and Finance Department. These reports include a review of actual results against the preceding year as well as against the budget, with significant variance being explained and necessary actions taken.
- ii) Quarterly risk and compliance reports are tabled and deliberated at the ARMC meetings for onward submission to the Board for deliberation.
- iii) Quarterly financial performance reports from the management are tabled to the ARMC for deliberation and thereafter recommended to the Board for approval.
- iv) The ARMC meets at least every quarter to review internal audit findings and ensure that highlighted weaknesses in internal controls are appropriately addressed by the Management. The ARMC is supported by the Internal Audit Department in terms of the following:
 - Internal Audit findings are discussed with auditees and respective ALCs with recommendations provided to address the issues;
 - Submission of reports to the ARMC at quarterly intervals containing improvement opportunities, audit findings, management response and corrective actions in areas with significant risks and internal control deficiencies; and
 - Continuous review of the ARMC TOR to reflect updates to the current business environment, including Malaysia Institute of Accountant by-law requirements and the formation of the GID in relation to investigation functions.

Continuous efforts are undertaken to ensure standardisation, timeliness and comprehensiveness of key internal control procedures. The system of internal controls has clear support from the Management, including the involvement of the Board, and is designed to address the risks to which the Company is exposed.

Statement On Risk Management And Internal Control

6. ASSOCIATES

The disclosures in this Statement do not include the risk management and internal controls practices of the Company's associates.

7. REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

Pursuant to paragraph 15.23 of the Main Market Listing Requirements of Bursa Securities, the external auditors have reviewed the SORMIC pursuant to the scope set out in the Audit and Assurance Practice Guide 3 (AAPG 3) issued by the MIA for inclusion in the FY2021 Annual Report.

Based on the procedures performed and evidence obtained, the external auditors have reported to the Board that nothing has come to their attention to cause them to believe that this Statement is not prepared, in all material respects, in accordance with the disclosures required by paragraphs 41 and 42 of the Guidelines to be set out, nor is the Statement factually inaccurate.

8. CONCLUSION

For the financial year ended 31 December 2021, the Board has actively monitored and reviewed the risk management practices and effectiveness of the internal control structure, based on the adopted ERM framework which includes processes for identifying, evaluating and managing significant risks faced by the Company. This is an on-going process which includes enhancement of the relevant key internal controls when there are changes in the business environment.

The Board is also assisted by the Management in the implementation of the Board's policies and procedures on risk and control. This includes the identification of risk control measures to address pertinent and relevant risks affecting the Company. The Board has received reasonable assurance from the MD/CEO and Deputy Managing Director that the Company's current risk management framework and internal control structure is operating adequately and effectively in all material aspects, based on the current risk management and internal control system of the Company. Where weaknesses are identified, rectification steps have been put in place.

Based on the assurances provided and with the implementation of a risk management framework as well as the adoption of an internal control system, the Board is of the opinion that the risk management and internal control system for the year under review, up to the date of the issuance of the Company's financial statements, are adequate and effective in safeguarding shareholders' investments and all stakeholders' interests.

Additional Compliance Information

(Pursuant to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad)

MATERIAL CONTRACTS INVOLVING THE INTERESTS OF DIRECTORS AND MAJOR SHAREHOLDERS

There were no material contracts entered into by the Company involving Directors' and major shareholders' interest which were still subsisting as at the end of the financial year under review or which were entered into since the end of the previous financial year (not being contracts entered into in the ordinary course of business) except as disclosed below and in Note 29 to the financial statements under "Related Parties" on pages 153 and 154 of this Annual Report.

AUDIT AND NON-AUDIT FEES

During the financial year ended 31 December 2021, the amount of audit and non-audit fees paid by the Company to the External Auditors and its affiliates are as follows:

	Company RM
Audit services rendered	280,000
Non-audit services rendered	170,000
Total	450,000

During the financial year, the amount incurred in respect of non-audit related fees amounted to RM170,000 which comprised assignments for tax consultation advisory fee including for sales and service tax compliance, service tax compliance, SORMIC review and sales verification review fee.

UTILISATION OF PROCEEDS

There were no proceeds raised from corporate proposals during the financial year.

RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE

At the 36th AGM held on Wednesday, 23 June 2021, the Company obtained a shareholders' mandate to allow the Company to enter into recurrent related party transactions of a revenue or trading nature. The disclosure of the recurrent related party transactions conducted during the financial year ended 31 December 2021 is set out on page 154 of this Annual Report.

Statement Of Directors' Responsibility

Pursuant to paragraph 15.26(a) of the Main Market of Bursa Malaysia Securities Berhad

The Board of Directors is responsible for ensuring that the annual audited financial statements of the Company are prepared with reasonable accuracy from the accounting records so as to give a true and fair view of the financial position of the Company as at 31 December 2021, and of their performance and cash flows for the year then ended.

The Board is also responsible for ensuring that the annual audited financial statements of the Company are drawn up in accordance with the requirements of the approved Malaysian Financial Reporting Standards issued by the Malaysian Accounting Standards Board, the requirements of the Companies Act 2016, the Listing Requirements of Bursa Malaysia Securities Berhad and other regulatory bodies.

In preparing the annual audited financial statements, the Directors have ascertained that the relevant accounting policies and reasonable prudent judgement and estimates have been consistently applied. The Directors also have a general responsibility for taking reasonable steps to safeguard the assets of the Company to prevent and detect fraud and other irregularities.



Directors' Report

For The Year Ended 31 December 2021

The Directors have pleasure in submitting their report and the audited financial statements of the Company for the financial year ended 31 December 2021.

Principal activities

The Company is principally engaged in the operations of a chain of departmental stores and supermarkets selling a broad range of goods ranging from clothing, food, household goods, other merchandise and shopping centre operation. There has been no significant change in the nature of these activities during the financial year.

Ultimate holding company

The Company is a subsidiary of AEON Co., Ltd., of which is incorporated in Japan and regarded by the Directors as the Company's ultimate holding company, during the financial year and until the date of this report.

Results

	RM'000
Profit for the year	85,287

Reserves and provisions

There were no material transfers to or from reserves and provisions during the financial year under review except as disclosed in the financial statements.

Dividend

Since the end of the previous financial year, the Company paid a final dividend of 1.50 sen per ordinary share totalling RM21,060,000 in respect of the financial year ended 31 December 2020 as reported in the Directors' Report of that year on 29 July 2021.

A final dividend recommended by the Directors in respect of the financial year ended 31 December 2021 is 3.00 sen per ordinary share totalling RM42,120,000 subject to the approval of the members at the forthcoming Annual General Meeting of the Company.

Directors of the Company

Directors who served during the financial year until the date of this report are:

Datuk Iskandar bin Sarudin
 Datuk Syed Ahmad Helmy bin Syed Ahmad
 Dato' Tunku Putra Badlishah Ibni Tunku Annuar
 Abdul Rahim bin Abdul Hamid
 Chong Swee Ying
 Shafie bin Shamsuddin
 Soichi Okazaki
 Tsutomu Motomura (appointed on 21 January 2021)
 Hiroyuki Kotera (resigned on 21 January 2021)

Directors' Report

For The Year Ended 31 December 2021

Directors' interests

The interests and deemed interests in the ordinary shares and options over shares of the Company and of its related corporations of those who were Directors at financial year end (including the interests of the spouse or children of the Directors who themselves are not Directors of the Company) as recorded in the Register of Directors' Shareholdings are as follows:

	Number of ordinary shares			At 31.12.2021
	At 1.1.2021	Bought	Sold	
Shareholdings in which Directors have direct interests				
Interest of Shafie bin Shamsuddin in:				
AEON CO. (M) BHD.	660,000	340,000	-	1,000,000
Interest of Chong Swee Ying in:				
AEON CO. (M) BHD.	42,600	-	-	42,600
AEON Credit Service (M) Berhad	16,440	-	(3,000)	13,440
Interest of Soichi Okazaki in:				
AEON CO. (M) BHD.	240,000	-	-	240,000
AEON Co., Ltd.	20,900	-	-	20,900
AEON Mall Co., Ltd.	16,760	-	-	16,760
Shareholdings in which Directors have deemed interests				
Interest of Chong Swee Ying in:				
AEON CO. (M) BHD.	11,000	-	-	11,000
AEON Credit Service (M) Berhad	3,220	-	-	3,220

None of the other Directors holding office at 31 December 2021 had any interest in the ordinary shares of the Company and of its related corporations during the financial year.

Directors' benefits

Since the end of the previous financial year, no Director of the Company has received nor become entitled to receive any benefit (other than those fees and other benefits included in the aggregate amount of remuneration received or due and receivable by Directors as shown in the financial statements or the fixed salary of a full time employee of the Company or of related corporations) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest.

There were no arrangements during and at the end of the financial year which had the object of enabling Directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

Issue of shares and debentures

There were no changes in the issued and paid-up capital of the Company during the financial year. There were no debentures issued during the financial year.

Options granted over unissued shares

No options were granted to any person to take up unissued shares of the Company during the financial year.

Indemnity and insurance costs

During the financial year, the total amount of premium paid for indemnity given to/insurance effected for the Directors and Officers of the Company was RM27,040. There were no indemnity given to/insurance effected for the auditors of the Company during the year.

Directors' Report

For The Year Ended 31 December 2021

Other statutory information

Before the financial statements of the Company were made out, the Directors took reasonable steps to ascertain that:

- i) all known bad debts have been written off and adequate provision made for doubtful debts; and
- ii) any current assets which were unlikely to be realised in the ordinary course of business have been written down to an amount which they might be expected so to realise.

At the date of this report, the Directors are not aware of any circumstances:

- i) that would render the amount written off for bad debts or the amount of the provision for doubtful debts in the Company inadequate to any substantial extent, or
- ii) that would render the value attributed to the current assets in the financial statements of the Company misleading, or
- iii) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Company misleading or inappropriate, or
- iv) not otherwise dealt with in this report or the financial statements that would render any amount stated in the financial statements of the Company misleading.

At the date of this report, there does not exist:

- i) any charge on the assets of the Company that has arisen since the end of the financial year and which secures the liabilities of any other person, or
- ii) any contingent liability in respect of the Company that has arisen since the end of the financial year.

No contingent liability or other liability of the Company has become enforceable, or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the Directors, will or may substantially affect the ability of the Company to meet its obligations as and when they fall due.

In the opinion of the Directors, except for rent concessions recognised in accordance with the practical expedient for COVID-19 related rent concession of RM10,944,000 as disclosed in note 4 in the financial statements, the financial performance of the Company for the financial year ended 31 December 2021 have not been substantially affected by any item, transaction or event of a material and unusual nature nor has any such item, transaction or event occurred in the interval between the end of that financial year and the date of this report.

Auditors

The auditors, KPMG PLT, have indicated their willingness to accept re-appointment.

The auditors' remuneration is disclosed in note 19 to the financial statements.

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors:

.....
Datuk Iskandar bin Sarudin

Director

.....
Shafie bin Shamsuddin

Director

Kuala Lumpur

Date: 28 March 2022

Statement of Financial Position

As at 31 December 2021

	Note	2021 RM'000	2020 RM'000
Assets			
Property, plant and equipment	3	3,108,208	3,366,955
Right-of-use assets	4	1,501,217	1,689,636
Intangible assets	5	62,963	9,638
Investments in associates	6	676	2,120
Other investments	7	63,251	55,728
Other assets	8	18,101	18,424
Deferred tax assets	9	168,264	147,071
Total non-current assets		4,922,680	5,289,572
Inventories	10	601,176	623,644
Contract assets	11	14,485	9,764
Receivables, deposits and prepayments	12	130,892	99,026
Cash and cash equivalents	13	193,562	71,385
Total current assets		940,115	803,819
Total assets		5,862,795	6,093,391
Equity			
Share capital	14	702,000	702,000
Fair value reserve	14	62,221	54,698
Retained earnings		978,524	914,297
Equity attributable to owners of the Company		1,742,745	1,670,995
Liabilities			
Borrowings	15	327,776	-
Lease liabilities		1,888,947	2,072,147
Payables and accruals	16	19,590	-
Other liabilities	17	22,299	21,534
Total non-current liabilities		2,258,612	2,093,681
Borrowings	15	400,557	933,580
Lease liabilities		176,041	158,192
Payables and accruals	16	1,165,644	1,075,553
Contract liabilities	11	92,456	126,146
Current tax liability		26,740	35,244
Total current liabilities		1,861,438	2,328,715
Total liabilities		4,120,050	4,422,396
Total equity and liabilities		5,862,795	6,093,391

The notes on pages 119 to 165 are an integral part of these financial statements.

FINANCIAL STATEMENTS

Statement of Profit or Loss and Other Comprehensive Income

For The Year Ended 31 December 2021

	Note	2021 RM'000	2020 RM'000
Revenue	18	3,630,364	4,051,302
Other operating income		21,284	11,017
Changes in inventories		(22,468)	(130,428)
Net purchases		(2,159,701)	(2,347,271)
Staff costs		(328,105)	(329,308)
Depreciation of property, plant and equipment	3	(288,219)	(320,061)
Depreciation of right-of-use assets	4	(169,503)	(169,595)
Amortisation of intangible assets	5	(6,662)	(6,028)
Net reversal/(impairment) of tenant receivables	30.4	5,281	(15,302)
Operating expenses		(421,359)	(485,069)
Operating profit	19	260,912	259,257
Interest expense	20	(129,899)	(149,363)
Interest income		645	676
Share of losses of equity-accounted associates, net of tax		(644)	(8,814)
Profit before tax		131,014	101,756
Tax expense	22	(45,727)	(60,333)
Profit for the year		85,287	41,423
Other comprehensive income, net of tax			
<i>Item that will not be reclassified subsequently to profit or loss</i>			
Net change in fair value of equity investments designated at fair value through other comprehensive income ("FVOCI")	23	7,523	(9,938)
Total comprehensive income for the year		92,810	31,485
Basic earnings per ordinary share (sen)	24	6.07	2.95

The notes on pages 119 to 165 are an integral part of these financial statements.

Statement of Changes In Equity

For The Year Ended 31 December 2021

	Note	Attributable to owners of the Company			Total equity RM'000
		Share capital RM'000	Fair value reserve RM'000	Retained earnings RM'000	
At 1 January 2020		702,000	64,636	929,034	1,695,670
Net change in fair value of equity investments designated at FVOCI	23	-	(9,938)	-	(9,938)
Profit for the year		-	-	41,423	41,423
Total comprehensive income for the year		-	(9,938)	41,423	31,485
Final dividend in respect of year ended 31 December 2019	25	-	-	(56,160)	(56,160)
At 31 December 2020/At 1 January 2021		702,000	54,698	914,297	1,670,995
Net change in fair value of equity investments designated at FVOCI	23	-	7,523	-	7,523
Profit for the year		-	-	85,287	85,287
Total comprehensive income for the year		-	7,523	85,287	92,810
Final dividend in respect of year ended 31 December 2020	25	-	-	(21,060)	(21,060)
At 31 December 2021		702,000	62,221	978,524	1,742,745
		Note 14	Note 14		

FINANCIAL STATEMENTS

Statement of Cash Flows

For The Year Ended 31 December 2021

	Note	2021 RM'000	2020 RM'000
Cash flows from operating activities			
Profit before tax		131,014	101,756
Adjustments for:			
Amortisation of intangible assets	5	6,662	6,028
Depreciation of property, plant and equipment	3	288,219	320,061
Depreciation of right-of-use assets	4	169,503	169,595
Dividend income		(2,252)	(1,077)
Impairment loss on right-of-use assets	4	13,500	-
Gain on early termination of lease		(969)	(321)
Loss/(Gain) on disposal of property, plant and equipment		1,080	(13)
Interest expense		129,899	149,363
Interest income		(645)	(676)
Property, plant and equipment written off		1,888	2,585
Intangible assets written off		121	271
Share of results of associates		644	8,814
Operating profit before changes in working capital		738,664	756,386
Changes in working capital:			
Inventories		22,468	130,428
Receivables, deposits and prepayments and other assets		(31,909)	(48,683)
Payables and accruals and other liabilities		83,502	(361,721)
Contract assets		(4,721)	9,964
Contract liabilities		(33,690)	(28,036)
Cash generated from operations		774,314	458,338
Tax paid		(75,424)	(62,251)
Net cash from operating activities		698,890	396,087
Cash flows from investing activities			
Acquisition of:			
- Property, plant and equipment	3	(33,145)	(45,630)
- Intangible assets	5.1	(33,983)	(735)
Proceeds from disposal of:			
- Property, plant and equipment		700	23
Dividend received		3,052	1,077
Interest received		645	676
Net cash used in investing activities		(62,731)	(44,589)

Statement of Cash Flows

For The Year Ended 31 December 2021

	Note	2021 RM'000	2020 RM'000
Cash flows from financing activities			
Proceeds from borrowings		455,000	279,200
Repayment of borrowings		(660,247)	(274,280)
Dividend paid to owners of the Company	25	(21,060)	(56,160)
Payment of lease liabilities		(158,966)	(149,242)
Interest paid		(128,709)	(146,613)
Net cash used in financing activities		(513,982)	(347,095)
Net increase in cash and cash equivalents		122,177	4,403
Cash and cash equivalents at beginning of year		71,385	66,982
Cash and cash equivalents at end of year	13	193,562	71,385

Cash outflows for leases as a lessee

	2021 RM'000	2020 RM'000
Included in net cash from operating activities:		
Payment relating to short-term leases	425	1,097
Payment relating to leases of low-value	294	203
Included in net cash from financing activities:		
Payment of lease liabilities	158,966	149,242
Interest paid in relation to lease liabilities	107,064	116,500
Total cash outflows for leases	266,749	267,042

FINANCIAL STATEMENTS

Statement of Cash Flows

For The Year Ended 31 December 2021

Reconciliation of movements of liabilities to cash flows arising from financing activities

	At 1 January 2020 RM'000	Net changes from financing cash flows RM'000	Acquisition of new lease of RM'000	Derecognition of lease of RM'000	At 31 December 2020/ 1 January 2021 RM'000	Net changes from financing cash flows RM'000	Acquisition of new lease of RM'000	Derecognition of lease of RM'000	At 31 December 2021 RM'000
Bank loans	350,160	(145,080)	-	-	205,080	(21,747)	-	-	183,333
Revolving credits - unsecured	278,500	35,000	-	-	313,500	(313,500)	-	-	-
Islamic Medium Term Notes and Islamic Commercial Papers - unsecured	300,000	115,000	-	-	415,000	130,000	-	-	545,000
Lease liabilities	2,293,098	(149,242)	90,401	(3,918)	2,230,339	(158,966)	1,620	(8,005)	2,064,988
Total liabilities from financing activities	3,221,758	(144,322)	90,401	(3,918)	3,163,919	(364,213)	1,620	(8,005)	2,793,321

The notes on pages 119 to 165 are an integral part of these financial statements.

Notes to the Financial Statements

AEON CO. (M) BHD. is a public limited liability company, incorporated and domiciled in Malaysia and is listed on the Main Market of the Bursa Malaysia Securities Berhad. The address of its registered office which is also the principal place of business is as follows:

3rd Floor, AEON Taman Maluri Shopping Centre
Jalan Jejaka, Taman Maluri
Cheras, 55100 Kuala Lumpur

The financial statements of the Company for the financial year ended 31 December 2021 comprise of the Company and the Company's interests in associates.

The Company is principally engaged in the operations of a chain of departmental stores and supermarkets selling a broad range of goods ranging from clothing, food, household goods, other merchandise and shopping centre operation.

The ultimate holding company during the financial year is AEON Co., Ltd., a company incorporated in Japan.

These financial statements were authorised for issue by the Board of Directors on 28 March 2022.

1. Basis of preparation

(a) Statement of compliance

The financial statements of the Company have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRS"), International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

The following are accounting standards, interpretations and amendments of the MFRSs that have been issued by the Malaysian Accounting Standards Board ("MASB") but have not been adopted by the Company:

MFRSs, interpretations and amendments effective for annual periods beginning on or after 1 January 2022

- Amendments to MFRS 1, *First-time Adoption of Malaysian Financial Reporting Standards (Annual Improvements to MFRS Standards 2018-2020)*
- Amendments to MFRS 3, *Business Combinations – Reference to the Conceptual Framework*
- Amendments to MFRS 9, *Financial Instruments (Annual Improvements to MFRS Standards 2018-2020)*
- Amendments to MFRS 116, *Property, Plant and Equipment – Proceeds before Intended Use*
- Amendments to MFRS 137, *Provisions, Contingent Liabilities and Contingent Assets – Onerous Contracts – Cost of Fulfilling a Contract*
- Amendments to MFRS 141, *Agriculture (Annual Improvements to MFRS Standards 2018-2020)*

MFRSs, interpretations and amendments effective for annual periods beginning on or after 1 January 2023

- MFRS 17, *Insurance Contracts*
- Amendments to MFRS 17, *Insurance Contracts – Initial application of MFRS 17 and MFRS 9 – Comparative Information*
- Amendments to MFRS 101, *Presentation of Financial Statements – Classification of Liabilities as Current or Non-current and Disclosures of Accounting Policies*
- Amendments to MFRS 108, *Accounting Policies, Changes in Accounting Estimates and Errors – Definition of Accounting Estimates*
- Amendments to MFRS 112, *Income Taxes – Deferred Tax related to Assets and Liabilities arising from a Single Transaction*

MFRSs, interpretations and amendments effective for annual periods beginning on or after a date yet to be confirmed

- 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*

Notes to the Financial Statements

1. Basis of preparation (continued)

(a) Statement of compliance (continued)

The Company plans to apply the abovementioned accounting standards, interpretations and amendments:

- from the annual period beginning on 1 January 2022 for those amendments that are effective for annual periods beginning on or after 1 January 2022, except for amendments to MFRS 1, 3 and 141 which are not applicable to the Company.
- from the annual period beginning on 1 January 2023 for the accounting standard and amendments that are effective for annual periods beginning on or after 1 January 2023, except for MFRS 17 and amendments to MFRS 17 which are not applicable to the Company.

The initial application of the abovementioned accounting standards and amendments is not expected to have any material financial impact to the current period and prior period financial statements of the Company.

The Company has early adopted Amendments to MFRS 16, *Leases-Covid-19-Related Rent Concessions beyond 30 June 2021* which is effective for annual periods beginning on or after 1 April 2021. During the financial year, the Company has recognised a total of RM10,944,000 of rent concessions as a result of the COVID-19 pandemic.

The Company has early adopted Amendments to Illustrative Examples accompanying MFRS 16, *Leases (Annual Improvements to MFRS Standards 2018-2020)* which is effective for annual periods beginning on or after 1 January 2022.

(b) Basis of measurement

The financial statements have been prepared on the historical cost basis other than as disclosed in note 2. As at 31 December 2021, the Company's current liabilities exceeded its current assets by RM921,323,000 (2020: RM1,524,896,000).

The Company has established an Islamic Commercial Papers Programme with a limit up to RM300.0 million and an Islamic Medium Term Notes Programme with a limit of up to RM1.0 billion, under a combined master limit of up to RM1.0 billion in nominal value based on the Shariah principle of Murabahah via Tawarruq arrangement. As at 31 December 2021, a total of RM455.0 million (2020: RM585.0 million) in respect of this facility has yet to be issued. As at year end, RM782.0 million (2020: RM458.5 million) of revolving loan remain unutilised. Given the available financing facilities and the ability of the Company to generate sufficient operating cash flows based on historical trend of positive operating cashflows, the Directors are of the opinion that the Company will be able to meet its liabilities as and when they fall due.

(c) Functional and presentation currency

These financial statements are presented in Ringgit Malaysia ("RM"), which is the Company's functional currency. All financial information is presented in RM and has been rounded to the nearest thousand ('000), unless otherwise stated.

(d) Use of estimates and judgements

The preparation of the financial statements in conformity with MFRS requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of income and expenses during the reported year. It also requires Directors to exercise their judgement in the process of applying the Company's accounting policies. Although these estimates and judgement are based on the Directors' best knowledge of current events and actions, actual results may differ.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

There are no significant areas of estimation uncertainty and critical judgements in applying accounting policies that have significant effect on the amounts recognised in the financial statements other than those disclosed in the following notes:

- Note 3 – Measurement of the recoverable amounts of cash-generating units
- Note 4 – Extension options and incremental borrowing rate in relation to leases
- Note 2(g) & 10 – Inventories
- Note 11 – Contract liabilities
- Note 17 – Other liabilities

Notes to the Financial Statements

2. Significant accounting policies

The accounting policies set out below have been applied consistently to the periods presented in this financial statement, unless otherwise stated.

(a) Accounting for investment in associate

(i) Associates

Associates are entities, including unincorporated entities, in which the Company has significant influence, but not control, over the financial and operating policies.

Investments in associates are accounted for in the Company's financial statements using the equity method less any impairment losses, unless it is classified as held for sale or distribution. The cost of the investment includes transaction costs. The financial statements include the Company's share of the profit or loss and other comprehensive income of the associates, after adjustments if any, to align the accounting policies with those of the Company, from the date that significant influence commences until the date that significant influence ceases.

When the Company's share of losses exceeds its interest in an associate, the carrying amount of that interest including any long-term investments is reduced to zero, and the recognition of further losses is discontinued except to the extent that the Company has obligation or has made payments on behalf of the associate.

When the Company ceases to have significant influence over an associate, any retained interest in the former associate at the date when significant influence is lost is measured at fair value and this amount is regarded as the initial carrying amount of a financial asset. The difference between the fair value of any retained interest plus proceeds from the interest disposed of and the carrying amount of the investment at the date when equity method is discontinued is recognised in the profit or loss.

When the Company's interest in an associate decreases but does not result in a loss of significant influence, any retained interest is not remeasured. Any gain or loss arising from the decrease in interest is recognised in profit or loss. Any gains or losses previously recognised in other comprehensive income are also reclassified proportionately to the profit or loss if that gain or loss would be required to be reclassified to profit or loss on the disposal of the related assets or liabilities.

(ii) Transactions eliminated

Unrealised gains arising from transactions with equity-accounted associates are eliminated against the investment to the extent of the Company's interest in the investees. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

(b) Foreign currency transactions

Transactions in foreign currencies are translated to the functional currency of the Company at exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies at the end of the reporting period are retranslated to the functional currency at the exchange rate at that date.

Non-monetary assets and liabilities denominated in foreign currencies are not retranslated at the end of the reporting date, except for those that are measured at fair value which are retranslated to the functional currency at the exchange rate at the date that the fair value was determined.

Foreign currency differences arising on retranslation are recognised in profit or loss, except for differences arising on the retranslation of equity instruments where they are measured at fair value through other comprehensive income which are recognised in other comprehensive income.

Notes to the Financial Statements

2. Significant accounting policies (continued)

(c) Financial instruments

(i) Recognition and initial measurement

A financial asset or a financial liability is recognised in the statement of financial position when, and only when, the Company becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without significant financing component) or a financial liability is initially measured at fair value plus or minus, for an item not at fair value through profit or loss, transaction costs that are directly attributable to its acquisition or issuance. A trade receivable without a significant financing component is initially measured at the transaction price.

(ii) Financial instrument categories and subsequent measurement

The Company categorises financial instruments as follows:

Financial assets

Categories of financial assets are determined on initial recognition and are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets in which case all affected financial assets are reclassified on the first day of the first reporting period following the change of the business model.

(a) Amortised cost

Amortised cost category comprises financial assets that are held within a business model whose objective is to hold assets to collect contractual cash flows and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The financial assets are not designated as fair value through profit or loss. Subsequent to initial recognition, these financial assets are measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Interest income is recognised by applying effective interest rate to the gross carrying amount except for credit impaired financial assets (see Note 2 (j)(i)) where the effective interest rate is applied to the amortised cost.

(b) Fair value through other comprehensive income - Equity investments

This category comprises investment in equity that is not held for trading, and the Company irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income. This election is made on an investment-by-investment basis. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of investment. Other net gains and losses are recognised in other comprehensive income. On derecognition, gains and losses accumulated in other comprehensive income are not reclassified to profit or loss.

All financial assets, except for equity investments measured at fair value through other comprehensive income, are subject to impairment assessment (see Note 2 (j)(i)).

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method.

Interest expense and foreign exchange gains and losses are recognised in the profit or loss. Any gains or losses on derecognition are also recognised in the profit or loss.

Notes to the Financial Statements

2. Significant accounting policies (continued)

(c) Financial instruments (continued)

(iii) Derecognition

A financial asset or part of it is derecognised when, and only when, the contractual rights to the cash flows from the financial asset expire or transferred, or control of the asset is not retained or substantially all of the risks and rewards of ownership of the financial asset are transferred to another party. On derecognition of a financial asset, the difference between the carrying amount of the financial asset and the sum of the consideration received (including any new asset obtained less any new liability assumed) is recognised in the profit or loss.

A financial liability or a part of it is derecognised when, and only when, the obligation specified in the contract is discharged, cancelled or expires. A financial liability is also derecognised when its terms are modified and the cash flows of the modified liability are substantially different, in which case, a new financial liability based on modified terms is recognised at fair value. On derecognition of a financial liability, the difference between the carrying amount of the financial liability extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

(iv) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and liability simultaneously.

(d) Property, plant and equipment

(i) Recognition and measurement

Freehold land and construction work-in-progress are stated at cost. Other items of property, plant and equipment are measured at cost less any accumulated depreciation and any accumulated impairment losses.

Cost includes expenditures that are directly attributable to the acquisition of the asset and any other costs directly attributable to bringing the asset to working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located. The cost of self-constructed assets also includes the cost of materials and direct labour. For qualifying assets, borrowing costs are capitalised in accordance with the accounting policy on borrowing costs.

Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

The gain or loss on disposal of an item of property, plant and equipment is determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and is recognised net within "other operating income" and "operating expenses" respectively in profit or loss.

(ii) Subsequent costs

The cost of replacing a component of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the component will flow to the Company, and its cost can be measured reliably. The carrying amount of the replaced component is derecognised to profit or loss. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

Notes to the Financial Statements

2. Significant accounting policies (continued)

(d) Property, plant and equipment (continued)

(iii) Depreciation

Depreciation is based on the cost of an asset less its residual value. Significant components of individual assets are assessed, and if a component has a useful life that is different from the remainder of that asset, then that component is depreciated separately.

Depreciation is recognised in the profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment from the date that they are available for use. Freehold land is not depreciated. Property, plant and equipment under construction are not depreciated until the assets are ready for their intended use.

The estimated useful lives for the current and comparative periods are as follows:

• Leasehold land	74 - 97 years
• Buildings	25 - 50 years
• Structures	10 years
• Office equipment	10 years
• Machinery and equipment	3 - 10 years
• Furniture, fixtures and fittings	5 years
• Motor vehicles	5 years
• IT equipment	3 - 5 years

Depreciation methods, useful lives and residual values are reviewed at the end of the reporting period, and adjusted as appropriate.

(e) Leases

(i) Definition of a lease

A contract is, or contains, a lease if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- the contract involves the use of an identified asset – this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- the Company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- the Company has the right to direct the use of the asset. The company has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the company has the right to direct the use of the asset if either the company has the right to operate the asset; or the company designed the asset in a way that predetermines how and for what purpose it will be used.

At inception or on reassessment of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease and non-lease component on the basis of their relative stand-alone prices. However, for leases of properties in which the Company is a lessee, it has elected not to separate non-lease components and will instead account for the lease and non-lease components as a single lease component.

Notes to the Financial Statements

2. Significant accounting policies (continued)

(e) Leases (continued)

(ii) Recognition and initial measurement

(a) As a lessee

The Company recognises a right-of-use ("ROU") asset and a lease liability at the lease commencement date. The ROU asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments less any incentives receivable;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee;
- the exercise price under a purchase option that the Company is reasonably certain to exercise; and
- penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

The Company excludes variable lease payments that linked to future performance or usage of the underlying asset from the lease liability. Instead, these payments are recognised in profit or loss in the period in which the performance or use occurs.

The Company has elected not to recognise ROU asset and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

(b) As a lessor

When the Company acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Company makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease.

If an arrangement contains lease and non-lease components, the Company applies MFRS 15 to allocate the consideration in the contract based on the stand-alone selling prices.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. It assesses the lease classification of a sublease with reference to the ROU asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Company applies the exemption described above, then it classifies the sublease as an operating lease.

Notes to the Financial Statements

2. Significant accounting policies (continued)

(e) Leases (continued)

(iii) Subsequent measurement

(a) As a lessee

The ROU asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the ROU asset or the end of the lease term. The estimated useful lives of ROU assets are determined on the same basis as those of property, plant and equipment. In addition, the ROU asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a revision of in-substance fixed lease payments, or if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the ROU asset, or is recorded in profit or loss if the carrying amount of the ROU asset has been reduced to zero.

COVID-19 – related rent concessions

The Company has applied Amendments to MFRS 16, *Leases – COVID-19-Related Rent Concessions* whereby rent concessions received as direct consequence of the COVID-19 pandemic are not assessed as lease modification if all of the following conditions are met:

- the change in lease payments result in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change;
- any reduction in lease payments affects only payments originally due on or before 30 June 2022; and
- there is no substantive change to other terms and conditions of the lease.

If the above conditions are met, rent concession are treated as variable lease payments and impact will be recognised in the profit or loss for the year.

(b) As a lessor

The Company recognises lease payments received under operating leases as income on a straight-line basis over the lease term as part of "revenue".

(f) Intangible assets

(i) Recognition and measurement

Intangible assets represent software and franchise fees acquired by the Company and are measured at cost less any accumulated amortisation and any accumulated impairment losses.

(ii) Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in profit or loss as incurred.

Notes to the Financial Statements

2. Significant accounting policies (continued)

(f) Intangible assets (continued)

(iii) Amortisation

Intangible assets are amortised from the date they are available for use. Amortisation is based on the cost of an asset less its residual value. Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of the intangible assets.

The estimated useful lives for the current and comparative periods are as follows:

- Information technology software 5 years

Amortisation methods, useful lives and residual values are reviewed at the end of each reporting period and adjusted, if appropriate.

(g) Inventories

Inventories are measured at the lower of cost and net realisable value with weighted average cost being the main basis for cost. Cost comprises the weighted average cost of merchandise derived at by using the Retail Inventory Method. Weighted average cost includes related charges incurred in purchasing such merchandise.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

(h) Contract asset/Contract liability

A contract asset is recognised when the Company's right to consideration is conditional on something other than the passage of time. A contract asset is subject to impairment in accordance to MFRS 9, *Financial Instruments* (see Note 2(j)(i)).

A contract liability is stated at cost and represents the obligation of the Company to transfer goods or services to a customer for which consideration has been received (or the amount is due) from the customers.

(i) Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, balances and deposits with banks and highly liquid investments which have an insignificant risk of changes in fair value with original maturities of three months or less, and are used by the Company in the management of its short term commitments.

(j) Impairment

(i) Financial assets

The Company recognises loss allowances for expected credit losses on financial assets measured at amortised cost and contract assets. Expected credit losses are a probability-weighted estimate of credit losses.

The Company measures loss allowances at an amount equal to lifetime expected credit loss, except for debt securities that are determined to have low credit risk at the reporting date, cash and bank balance and other debt securities for which credit risk has not increased significantly since initial recognition, which are measured at 12-month expected credit loss. Loss allowances for trade receivables and contract assets are always measured at an amount equal to lifetime expected credit loss.

Notes to the Financial Statements

2. Significant accounting policies (continued)

(j) Impairment (continued)

(i) Financial assets (continued)

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit loss, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information, where available.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of the asset, while 12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within the 12 months after the reporting date. The maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk.

The Company estimates the expected credit losses on trade receivables using a provision matrix with reference to historical credit loss experience.

An impairment loss in respect of financial assets measured at amortised cost is recognised in profit or loss and the carrying amount of the asset is reduced through the use of an allowance account.

At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

The gross carrying amount of a financial asset is written off (either partially or full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery amounts due.

(ii) Other assets

The carrying amounts of other assets (except for inventories, contract assets and deferred tax asset) are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash-generating units.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs of disposal. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or cash-generating unit.

An impairment loss is recognised if the carrying amount of an asset or its related cash-generating unit exceeds its estimated recoverable amount.

Impairment losses are recognised in the profit or loss. Impairment losses recognised in respect of cash-generating units are allocated to reduce the carrying amount of the assets in the cash-generating unit (groups of cash-generating units) on a pro rata basis.

Impairment losses recognised in prior periods are assessed at the end of each reporting period for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount since the last impairment loss was recognised. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. Reversals of impairment losses are credited to profit or loss in the financial year in which the reversals are recognised.

Notes to the Financial Statements

2. Significant accounting policies (continued)

(k) Equity instruments

Instruments classified as equity are measured at cost on initial recognition and are not remeasured subsequently.

(i) Issue expenses

Costs directly attributable to the issue of instruments classified as equity are recognised as a deduction from equity.

(ii) Ordinary shares

Ordinary shares are classified as equity.

(l) Employee benefits

(i) Short-term employee benefits

Short-term employee benefit obligations in respect of salaries, annual bonuses, paid annual leave and sick leave are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(ii) State plans

The Company's contributions to statutory pension funds are charged to profit or loss in the financial year to which they relate. Once the contributions have been paid, the Company has no further payment obligations.

(m) Revenue and other income

(i) Retail sales - goods sold and commission earned

Revenue is measured based on the consideration specified in a contract with a customer in exchange for transferring goods or services to a customer, excluding amounts collected on behalf of third parties. The Company recognises revenue when it transfers control over a product or service to customer. An asset is transferred when the customer obtains control of the asset.

The Company transfers control of a good or service at a point in time unless one of the following overtime criteria is met:

- (a) the customer simultaneously receives and consumes the benefits provided as the Company performs;
- (b) the Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced;
or
- (c) the Company's performance does not create an asset with an alternative use and the Company has an enforceable right to payment for performance completed to date.

When the Company acts in a capacity of an agent rather than as the principal in a transaction, the revenue is recognised upon the sale of goods and is the net amount of commission made by the Company.

For items that are not sold separately – e.g. customer loyalty programme and customer rebates – the Company estimates stand-alone selling prices as follow:

Notes to the Financial Statements

2. Significant accounting policies (continued)

(m) Revenue and other income (continued)

(i) Retail sales - goods sold and commission earned (continued)

Customer loyalty awards

The Company operates the customer loyalty programme and has transitioned this program to be managed by its related company. This program allows customers to accumulate points when they purchase products at the Company's stores and these points are redeemable for gift vouchers.

The consideration received from the sale of goods is allocated to the goods sold and the points issued that are expected to be redeemed. The consideration allocated to the points issued is measured at fair value of the points. It is recognised as a liability (contract liability) in the statement of financial position and recognised as revenue when the points are redeemed, have expired or are no longer expected to be redeemed. The amount of revenue recognised is based on the number of points that have been redeemed, relative to the total number of points expected to be redeemed.

Customer rebates

Members are awarded with rebates at the point of sale made at AEON general merchandising stores and these rebates are redeemable for gift vouchers. It is recognised as a liability (contract liability) in the statement of financial position and recognised as revenue when gift vouchers are redeemed by customers when they purchase products at AEON general merchandising stores.

On an annual basis, fair value of the contract liability will be estimated by reference to the monetary value attributable to the customer rebates and redemption profile.

(ii) Property management services

Revenue from shopping mall operation which include rental income, service charge, sales commission and car park charges. Rental income is recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income, over the term of the lease. Rental income from sub-leased property is recognised as "revenue".

(iii) Dividend income

Dividend income is recognised in profit or loss on the date that the Company's right to receive payment is established, which in the case of quoted securities is the ex-dividend date.

(iv) Interest income

Interest income is recognised as it accrues using the effective interest method in profit or loss except for interest income arising from temporary investment of borrowings taken specifically for the purpose of obtaining a qualifying asset which is accounted for in accordance with the accounting policy on borrowing costs.

(v) Membership income

Membership income is recognised in profit or loss when the payment is received and proportion to the membership tenure. Membership income is recognised as revenue.

With effective from July 2019, the Company has ceased accepting new members under AEON Card.

Notes to the Financial Statements

2. Significant accounting policies (continued)

(n) Borrowing costs

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets.

The capitalisation of borrowing costs as part of the cost of a qualifying asset commences when expenditure for the asset is being incurred, borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use or sale are in progress. Capitalisation of borrowing costs is suspended or ceased when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are interrupted or completed.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

(o) Income tax

Income tax expense comprises current and deferred tax. Current tax and deferred tax expense are recognised in profit or loss except to the extent that it relates to items recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted by the end of the reporting period, and any adjustment to tax payable in respect of previous financial years.

Deferred tax is recognised using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities in the statement of financial position and their tax bases. Deferred tax is not recognised for the initial recognition of assets or liabilities in a transaction that affects neither accounting nor taxable profit or loss. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the end of the reporting period.

The amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the reporting date. Deferred tax assets and liabilities are not discounted.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax assets and liabilities on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which temporary difference can be utilised. Deferred tax assets are reviewed at the end of each reporting period and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(p) Earnings per ordinary share

The Company presents basic earnings per share ("EPS") data for its ordinary shares.

Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period.

No diluted EPS is disclosed in these financial statements as there are no dilutive potential ordinary shares.

Notes to the Financial Statements

2. Significant accounting policies (continued)

(q) Operating segments

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components. Operating segment results are reviewed regularly by the chief operating decision maker, which in this case are the Managing Director and Board of Directors of the Company, to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

(r) Provisions

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a post-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

Provision for restoration cost

A provision for site restoration is recognised when there is a projected cost of dismantlement, removal or restoration as a consequence of using a leased property during a particular period. The provision is measured at the present value of the restoration cost expected to be paid upon termination of the lease agreement.

(s) Contingent liabilities

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is not recognised in the statement of financial position and is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events, are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

(t) Fair value measurements

Fair value of an asset or a liability, except for lease transactions, is determined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The measurement assumes that the transaction to sell the asset or transfer the liability takes place either in the principal market or in the absence of a principal market, in the most advantageous market.

For non-financial asset, the fair value measurement takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. Fair value is categorised into different levels in a fair value hierarchy based on the input used in the valuation technique as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at the measurement date.
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: unobservable inputs for the asset or liability.

The Company recognises transfers between levels of the fair value hierarchy as of the date of the event or change in circumstances that caused the transfers.

Notes to the Financial Statements

3. Property, plant and equipment

	Note	Land RM'000	Buildings RM'000	Structures RM'000	Equipment RM'000	Office equipment RM'000	Furniture, fixtures and equipment				Construction work-in- progress RM'000	Total RM'000
							Machinery and equipment RM'000	Motor vehicles RM'000	IT equipment RM'000	Construction work-in- progress RM'000		
Cost												
At 1 January 2020		643,002	2,134,766	742,421	18,953	1,769,884	621,404	7,107	79,503	61,967	6,079,007	
Additions		-	41	9,934	476	18,137	11,753	121	659	4,509	45,630	
Disposals		-	-	-	-	-	(46)	-	(181)	-	(227)	
Written off		-	(44)	(1,434)	(1,839)	(4,004)	(4,094)	(7)	(73)	-	(11,495)	
Transfer between classes		-	-	(7,955)	11	7,566	6,069	-	1,171	(6,862)	-	
Transfer to intangible assets	5	-	-	-	-	-	-	-	-	(3,222)	(3,222)	
At 31 December 2020/1 January 2021		643,002	2,134,763	742,966	17,601	1,791,583	635,086	7,221	81,079	56,392	6,109,693	
Additions		-	23	5,408	199	7,672	1,950	-	8,979	8,914	33,145	
Disposals		-	(126)	(1,831)	(1)	(4,068)	(3,065)	-	(231)	-	(9,322)	
Written off		-	(51)	(1,252)	(51)	(4,125)	(2,628)	-	(91)	-	(8,198)	
Transfer between classes		-	-	827	-	389	268	-	-	(1,484)	-	
Transfer to intangible assets	5	-	-	-	-	-	-	-	-	(5)	(5)	
At 31 December 2021		643,002	2,134,609	746,118	17,748	1,791,451	631,611	7,221	89,736	63,817	6,125,313	

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Notes to the Financial Statements

3. Property, plant and equipment (continued)

	Note	Land* RM'000	Buildings RM'000	Structures RM'000	Office equipment RM'000	Machinery and equipment RM'000	Furniture, fixtures and fittings RM'000	Motor vehicles RM'000	IT equipment RM'000	Construction work-in- progress RM'000	Total RM'000
Depreciation and impairment loss											
At 1 January 2020											
- Accumulated depreciation		48,230	371,740	376,759	14,458	1,021,602	473,833	5,946	64,469	-	2,377,037
- Accumulated impairment loss		-	602	21,810	681	17,716	13,134	15	809	-	54,767
Depreciation for the year		48,230	372,342	398,569	15,139	1,039,318	486,967	5,961	65,278	-	2,431,804
Disposals		3,498	50,392	57,108	808	152,550	49,214	439	6,052	-	320,061
Written off		-	-	-	-	-	(36)	-	(181)	-	(217)
		-	(15)	(503)	(1,824)	(3,188)	(3,329)	(7)	(44)	-	(8,910)
At 31 December 2020/1 January 2021											
- Accumulated depreciation		51,728	422,117	433,364	13,442	1,170,964	519,682	6,378	70,296	-	2,687,971
- Accumulated impairment loss		-	602	21,810	681	17,716	13,134	15	809	-	54,767
Depreciation for the year		51,728	422,719	455,174	14,123	1,188,680	532,816	6,393	71,105	-	2,742,738
Disposals		3,497	50,257	53,963	798	134,745	39,403	321	5,235	-	288,219
Written off		-	(31)	(1,331)	(1)	(3,459)	(2,592)	-	(128)	-	(7,542)
		-	(28)	(595)	(32)	(3,274)	(2,306)	-	(75)	-	(6,310)
At 31 December 2021											
- Accumulated depreciation		55,225	472,315	485,401	14,207	1,298,976	554,187	6,699	75,328	-	2,962,338
- Accumulated impairment loss		-	602	21,810	681	17,716	13,134	15	809	-	54,767
		55,225	472,917	507,211	14,888	1,316,692	567,321	6,714	76,137	-	3,017,105

Notes to the Financial Statements

3. Property, plant and equipment (continued)

	Land [^] RM'000	Buildings RM'000	Structures RM'000	Office equipment RM'000	Machinery and equipment RM'000	Furniture, fixtures and fittings RM'000	Motor vehicles RM'000	IT equipment RM'000	Construction work-in- progress RM'000	Total RM'000
Carrying amounts										
At 1 January 2020	594,772	1,762,424	343,852	3,814	730,566	134,437	1,146	14,225	61,967	3,647,203
At 31 December 2020/1 January 2021	591,274	1,712,044	287,792	3,478	602,903	102,270	828	9,974	56,392	3,366,955
At 31 December 2021	587,777	1,661,692	238,907	2,860	474,759	64,290	507	13,599	63,817	3,108,208

[^] Included leasehold land with net book value as at 31 December 2021 amounting to RM266,542,000 (2020: RM270,039,000) amortised by its lease term ranging from 74 to 97 years.

Notes to the Financial Statements

3. Property, plant and equipment (continued)

3.1 Impairment loss

The historical losses from loss-making stores caused the Company to assess the recoverable amount of the stores' related plant and equipment.

The recoverable amount of the loss-making stores were based on its value in use, determined by discounting future cash flows to be generated by the stores. The impairment loss was determined by comparing the recoverable amount to the carrying amount of the plant and equipment.

During the year, there is no impairment loss on property, plant and equipment (2020: Nil).

The recoverable amounts, determined by way of value in use, were calculated by discounting the future cash flows expected to be generated from the continuing use of the stores and were based on the following key assumptions:

- Cash flows were projected based on past experience, actual operating results and business plan of the Company for a period up to the maximum lease term of the store. This maximum lease term is consistent with the tenure used in the calculation of right-of-use assets as disclosed in note 4. Management believes that this forecast period was justified due to management's intention to renew and operate the stores up to the maximum lease term.
- The anticipated annual revenue growth included in the cash flow projections were between 1% to 51% (2020: 1% to 12%) based on average growth levels experienced over the years and management's assessment of future trends in the industry as well as expectation of growth of new businesses.
- A pre-tax discount rate of 8.51% (2020: 7.60%) was applied in determining the recoverable amount of the stores.

The values assigned to the key assumptions represent management's assessment of future trends in the retail industry and are based on both external sources and internal sources (historical data).

The above estimates are particularly sensitive to annual revenue growth rate. A decrease of 2% of the annual revenue growth rate may result in an impairment loss.

4. Right-of-use assets

	Note	Land and buildings RM'000	Equipment RM'000	Total RM'000
At 1 January 2020		1,766,646	5,781	1,772,427
Addition		90,401	-	90,401
Depreciation		(167,254)	(2,341)	(169,595)
Derecognition		(3,597)	-	(3,597)
At 31 December 2020/1 January 2021		1,686,196	3,440	1,689,636
Addition		1,620	-	1,620
Depreciation		(167,862)	(1,641)	(169,503)
Derecognition		(7,036)	-	(7,036)
Impairment	4.5	(13,500)	-	(13,500)
At 31 December 2021		1,499,418	1,799	1,501,217

The Company leases a number of shopping malls and shopping outlets that run between one year and twelve years, with an option to renew the lease after that date. Lease payments are increased every three to five years to reflect current market rentals.

The Company had negotiated for rent concessions with its landlord of the shopping malls and shopping outlets due to COVID-19 pandemic since financial year 2020.

The amount recognised in profit or loss for the reporting period of RM10,944,000 (2020: RM20,291,000) relates to changes in lease payments arising from the rent concessions obtained in accordance with the practical expedient for COVID-19 related rent concessions.

Notes to the Financial Statements

4. Right-of-use assets (continued)**4.1 Variable lease payments based on sales**

Some leases of retail stores contain variable lease payments that are based on sales that the Company makes at the store. Those payments are common in retail stores in the country where the Company operates. Fixed and variable rental payments were as follows.

	Fixed payments RM'000	Variable payments RM'000	Total payments RM'000	Estimated annual impact on rent of a 1% increase in sales RM'000
Leases with lease payments based on sales				
2021	41,652	5,350	47,002	5,404
2020	42,517	5,597	48,114	5,653

4.2 Extension options

Some leases of shopping malls and shopping outlets contain extension options exercisable by the Company up to ten years before the end of the non-cancellable contract period. Where applicable, the Company seeks to include extension options in new leases to provide operational flexibility. The extension options held are exercisable only by the Company and not by the lessors. The Company assesses at lease commencement whether it is reasonably certain to exercise the extension options. The Company reassesses whether it is reasonably certain to exercise the options if there is a significant event or significant change in circumstances within its control.

	Lease liabilities recognised (discounted) RM'000	Potential future lease payments not included in lease liabilities (discounted) RM'000	Historical rate of exercise of extension options %
2021			
Land and buildings	843,545	715,074	51
2020			
Land and buildings	931,626	678,505	51

4.3 Significant judgements and assumptions in relation to lease

The Company assesses at lease commencement by applying judgement whether it is reasonably certain to exercise the extension options. The Company considers all facts and circumstances including past practice and any cost that will be incurred to change the asset if an option to extend is not taken, to help determine the lease term.

The Company also applied judgement and assumptions in determining the incremental borrowing rate of the respective leases. The Company first determines the closest available borrowing rates before using judgement to determine the adjustments required to reflect the term, security, value or economic environment of the respective leases.

4.4 Sale and leaseback

In 2013, the Company sold one of its property and leased the property back for 10 years with the option to extend another 10 years. This sale and leaseback transaction enabled the Company to access more capital while continuing to use the property. The rent is adjusted every three years to reflect increases in local market rents for similar properties.

4.5 Impairment loss

The historical losses from loss-making stores and malls caused the Company to assess the recoverable amount of the stores' and malls' related right-of-use assets. The Company tested the related loss-making stores and malls for impairment and recognised an impairment loss of RM13,500,000 (2020: Nil) with respect to the right-of-use assets. See note 3.1 for further details on the approach and key assumptions of the recoverable amounts.

Based on the sensitivity analysis performed, a decrease of 1% of the annual revenue growth rate would have increased the impairment loss by RM6,289,000. This analysis was based on the change in assumption stated above and assumes that all other variables remained constant.

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Notes to the Financial Statements

5. Intangible assets

	Note	Information technology software RM'000
Cost		
At 1 January 2020		55,422
Additions		735
Transfer from construction work-in-progress	3	3,222
Written off		(354)
At 31 December 2020/1 January 2021		59,025
Additions	5.1	60,103
Transfer from construction work-in-progress	3	5
Written off		(220)
At 31 December 2021		118,913
Amortisation and impairment loss		
At 1 January 2020		
- Accumulated amortisation		43,302
- Accumulated impairment loss		140
		43,442
Amortisation for the year		6,028
Written off		(83)
At 31 December 2020/1 January 2021		
- Accumulated amortisation		49,247
- Accumulated impairment loss		140
		49,387
Amortisation for the year		6,662
Written off		(99)
At 31 December 2021		
- Accumulated amortisation		55,810
- Accumulated impairment loss		140
		55,950
Carrying amounts		
At 1 January 2020		11,980
At 31 December 2020/1 January 2021		9,638
At 31 December 2021		62,963

5.1 Acquisition of intangible assets

During the financial year, the Company acquired intangible assets with an aggregate cost of RM60,103,000 (2020: RM735,000), of which RM26,120,000 (2020: Nil) were under deferred payment plan and being included in amounts due to related companies (see Note 16.1).

Notes to the Financial Statements

6. Investments in associates

	2021 RM'000	2020 RM'000
Unquoted shares	8,400	9,200
Share of post-acquisition reserves	(7,724)	(7,080)
	676	2,120

Details of the associates are as follows:

Name of associates	Country of incorporation	Principal activities	Effective ownership interest and voting interest	
			2021 %	2020 %
AEON Fantasy (Malaysia) Sdn. Bhd. ("AFM")	Malaysia	Operating indoor amusement park business	20	20
AEON TopValu Malaysia Sdn. Bhd. ("ATVM")*	Malaysia	Product development of AEON private brand	20	20

All associates are audited by another firm of accountants and equity accounted based on management accounts.

- * During the year, dividend received from ATVM amounting RM800,000 was recognised to offset its cost of investment. On 1 January 2022, ATVM lodged the Notice of Resolution for Members' Voluntary Winding Up to Companies Commission of Malaysia and is now going through winding up procedures.

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Notes to the Financial Statements

6. Investments in associates (continued)

The summarised financial information of the Company's investments in the associates are as follows:

2021	AFM RM'000	ATVM RM'000	Total RM'000
Summarised financial information			
As at 31 December			
Non-current assets	111,531	283	
Current assets	39,968	3,427	
Non-current liabilities	(93,493)	(200)	
Current liabilities	(51,776)	(130)	
Net assets	6,230	3,380	
Year ended 31 December			
Loss from continuing operations	(12,578)	(336)	
Included in the total comprehensive income is:			
Revenue	28,014	41,930	
Reconciliation of net assets to carrying amount as at 31 December			
Company's share of net assets	1,246	676	1,922
Share of gain of disposal of business	(3,185)	-	(3,185)
Unrecognised share of losses	1,939	-	1,939
Carrying amount in the statement of financial position	-	676	676
Company's share of results for the year ended 31 December	(577)	(67)	(644)
Other information			
Dividend received by the Company	-	800	800

Notes to the Financial Statements

6. Investments in associates (continued)

The summarised financial information of the Company's investments in the associates are as follows (continued):

2020	AFM RM'000	ATVM RM'000	Total RM'000
Summarised financial information			
As at 31 December			
Non-current assets	143,176	568	
Current assets	20,970	22,971	
Non-current liabilities	(78,880)	(455)	
Current liabilities	(66,456)	(15,370)	
Net assets	18,810	7,714	
Year ended 31 December			
(Loss)/Profit from continuing operations	(44,237)	164	
Included in the total comprehensive income is:			
Revenue	23,709	79,490	
Reconciliation of net assets to carrying amount as at 31 December			
Company's share of net assets	3,762	1,543	5,305
Share of gain of disposal of business	(3,185)	-	(3,185)
Carrying amount in the statement of financial position	577	1,543	2,120
Company's share of results for the year ended 31 December	(8,847)	33	(8,814)
Other information			
Dividend received by the Company	-	-	-

7. Other investments

	Note	2021 RM'000	2020 RM'000
Non-current			
Quoted equity in Malaysia - Fair value through other comprehensive income	7.1	63,251	55,728

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Notes to the Financial Statements

7. Other investments (continued)

7.1 Equity investments designated at fair value through other comprehensive income

The Company designated the investments in equity security shown below as fair value through other comprehensive income because this equity security represents investment that the Company intends to hold for long-term strategic purposes.

	Fair value at 31 December 2021 RM'000	Dividend income recognised during 2021 RM'000	Fair value at 31 December 2020 RM'000	Dividend income recognised during 2020 RM'000
AEON Credit Service (M) Berhad	63,251	2,252	55,728	1,077

8. Other assets

Other assets are rental and utility deposits relating to leased properties. These rental and utility deposits are in substance a prepayment as they are offset against the rental payable towards the end of the lease term under the usual circumstances.

9. Deferred tax assets/(liabilities)

Recognised deferred tax assets/(liabilities)

Deferred tax assets and liabilities are attributable to the following:

	Assets		Liabilities		Net	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Property, plant and equipment						
- capital allowance	3,217	-	-	(15,251)	3,217	(15,251)
- revaluation	-	-	(6,110)	(8,783)	(6,110)	(8,783)
Right-of-use assets	-	-	(363,532)	(395,789)	(363,532)	(395,789)
Lease liabilities	495,597	524,699	-	-	495,597	524,699
Provisions	15,800	11,679	-	-	15,800	11,679
Contract liabilities	23,292	30,516	-	-	23,292	30,516
Net tax assets/ (liabilities)	537,906	566,894	(369,642)	(419,823)	168,264	147,071

Notes to the Financial Statements

9. Deferred tax assets/(liabilities) (continued)

Movement in temporary differences during the year

	At 1.1.2020 RM'000	Recognised in profit or loss (Note 22) RM'000	At 31.12.2020/ 1.1.2021 RM'000	Recognised in profit or loss (Note 22) RM'000	At 31.12.2021 RM'000
Property, plant and equipment					
- capital allowance	(49,109)	33,858	(15,251)	18,468	3,217
- revaluation	(8,984)	201	(8,783)	2,673	(6,110)
Right-of-use assets	(416,593)	20,804	(395,789)	32,257	(363,532)
Lease liabilities	550,343	(25,644)	524,699	(29,102)	495,597
Provisions	7,399	4,280	11,679	4,121	15,800
Contract liabilities	37,003	(6,487)	30,516	(7,224)	23,292
	120,059	27,012	147,071	21,193	168,264

10. Inventories

	2021 RM'000	2020 RM'000
Retail merchandise	284,594	312,294
Food and others	316,582	311,350
	601,176	623,644
Recognised in profit or loss:		
Inventories recognised as an expense	2,174,934	2,476,588
Write down to net realisable value	7,235	1,111

The inventories written down to net realisable value are included in changes in inventories.

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11. Contract assets/(liabilities)

	2021 RM'000	2020 RM'000
Contract assets	14,485	9,764
Contract liabilities	(92,456)	(126,146)

The contract assets primarily relate to the Company's right to consideration for the rental earned but not yet billed at the reporting date. Typically, the amount will be billed within 30 days and payment is expected within 90 days.

The contract liabilities primarily relate to the unredeemed customer loyalty awards, customer rebates and unutilised cash vouchers. The amount will be recognised as revenue when the points and rebates are redeemed and cash vouchers are utilised by customers, which is expected to occur over the next two years.

	2021 RM'000	2020 RM'000
Customer loyalty awards	-	23,888
Customer rebates	1,822	2,082
Unutilised cash vouchers and others	90,634	100,176
	92,456	126,146

The fair value of the customer loyalty awards and customer rebates are estimated by reference to the monetary value attributable to the awarded gift redemption points, rebates and redemption profile.

The customer loyalty awards and customer rebates are based on the best estimate of future redemption profile. All the estimates are reviewed on an annual basis or more frequently, where there is indication of a material change.

AEON Card has ceased accepting new members in July 2019. Existing members were still able to accumulate points in relation to rebates and loyalty awards in their existing AEON Card until 31 December 2020 where the deadline when all points must be redeemed was 31 December 2021. AEON Member Plus Card was introduced in October 2018 to replace the current AEON Card. Points collected by members using AEON Member Plus Card are managed by a related company, AEON Credit Services (M) Bhd.

Movement in contract liabilities

The following table shows reconciliation from the opening balance to the closing balance for the contract liabilities and its components.

	Customer loyalty awards RM'000	Customer rebates RM'000	Unutilised cash vouchers and others RM'000	Total RM'000
At 1 January 2020	41,486	2,285	110,411	154,182
Additions	11,247	3,164	176,740	191,151
Utilisation/Expired	(28,845)	(3,367)	(186,975)	(219,187)
At 31 December 2020/1 January 2021	23,888	2,082	100,176	126,146
Additions	-	-	126,078	126,078
Utilisation/Expired	(23,888)	(260)	(135,620)	(159,768)
At 31 December 2021	-	1,822	90,634	92,456

Notes to the Financial Statements

12. Receivables, deposits and prepayments

	Note	2021 RM'000	2020 RM'000
Trade			
Trade receivables		73,212	65,891
Amount due from a related company	12.1	6,019	4,633
		79,231	70,524
Non-trade			
Other receivables		2,471	1,851
Prepayments		26,988	18,406
Amount due from related companies	12.1	22,202	8,245
		51,661	28,502
		130,892	99,026

12.1 Amounts due from related companies

The trade amount due from a related company is unsecured, interest free and subject to normal trade terms.

The non-trade amounts due from related companies are unsecured, interest free and repayable on demand.

13. Cash and cash equivalents

	2021 RM'000	2020 RM'000
Cash and bank balances	17,463	18,267
Deposits with licensed financial institutions	176,099	53,118
	193,562	71,385

14. Capital and reserves**Share capital**

	2021		2020	
	Number of shares '000	Amount RM'000	Number of shares '000	Amount RM'000
Issued and fully paid:				
Ordinary shares	1,404,000	702,000	1,404,000	702,000

Ordinary shares

The holders of ordinary shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Company.

Fair value reserve

The fair value reserve comprises the cumulative net change in the fair value of equity investment designated at fair value through other comprehensive income until the investments are derecognised or impaired.

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Notes to the Financial Statements

15. Borrowings

	Note	2021 RM'000	2020 RM'000
Non-current			
Bank loans	15.1	127,776	-
Islamic Medium Term Notes and Islamic Commercial Papers - unsecured	15.2	200,000	-
		327,776	-
Current			
Bank loans	15.1	55,557	205,080
Revolving credits - unsecured	15.3	-	313,500
Islamic Medium Term Notes and Islamic Commercial Papers - unsecured	15.2	345,000	415,000
		400,557	933,580
		728,333	933,580

15.1 The bank loans are unsecured, bears interest ranging from 2.99% to 3.03% (2020: 2.96% to 4.39%) per annum and are repayable on quarterly basis up to 29 July 2024.

15.2 The unsecured Islamic Medium Term Notes and Islamic Commercial Papers bear interest rate of 2.14% to 3.15% (2020: 2.18% to 3.15%) per annum.

15.3 In the previous financial year, the unsecured revolving credits bore interest rates ranging from 2.20% to 2.53% per annum.

15.4 Significant financial covenant in connection with the unsecured Islamic Medium Term Notes and Islamic Commercial Papers includes the Company to maintain its debt to equity ratio not exceeding 1.0 time (2020:1.0 time) throughout the programme tenure. During the year, the Company has complied with these requirements.

16. Payables and accruals

	Note	2021 RM'000	2020 RM'000
Non-current			
Non-trade			
Amount due to a related company	16.1	19,590	-
Current			
Trade			
Trade payables		707,015	593,140
Amount due to an associate	16.1	1	11,087
Amount due to a related company	16.1	2,057	-
		709,073	604,227
Non-trade			
Other payables and accrued expenses	16.2	153,906	165,401
Rental and utility deposits		245,768	255,073
Amount due to holding company	16.1	16,320	16,406
Amount due to associates	16.1	260	1,366
Amount due to related companies	16.1	40,317	33,080
		456,571	471,326
		1,165,644	1,075,553
		1,185,234	1,075,553

Notes to the Financial Statements

16. Payables and accruals (continued)**16.1 Amounts due to holding company, associates and related companies**

The trade amount due to an associate is unsecured, interest free and subject to normal trade terms.

The non-trade amounts due to holding company, associates and related companies are unsecured, interest free and repayable on demand.

Included in non-trade amounts due to related companies of RM26,120,000 (2020: Nil) are the deferred payment plan for acquisition of intangible assets in Note 5 and are unsecured, interest free and repayable on annual basis up to year 2025.

16.2 Other payables and accrued expenses

Included in other payables and accrued expenses is interest accrued of RM4,353,000 (2020: RM3,529,000).

17. Other liabilities

Provision for restoration cost	2021 RM'000	2020 RM'000
At 1 January	21,534	20,774
Provision made during the year	23	41
Provision reversed during the year	(177)	(27)
Unwinding of discount	919	746
At 31 December	22,299	21,534

Under the provision of lease agreements, the Company has an obligation to dismantle and remove structures on the site and restore those sites at the end of the lease term to an acceptable condition. The liabilities for restoration are recognised at present value of the compounded future expenditure estimated using current price and discounted using a discount rate of 4.40% (2020: 3.61%).

18. Revenue

	2021 RM'000	2020 RM'000
Sale of goods	2,750,704	3,083,577
Net commission from concessionaire sales	300,280	294,706
Property management services	531,257	606,641
Others	48,123	66,378
	3,630,364	4,051,302

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18. Revenue (continued)

Nature of goods and services

The following information reflects the typical transactions of the Company:

Nature of goods or services	Timing of recognition or method used to recognise revenue	Significant payment terms	Variable element in consideration	Obligation for returns or refunds
Sale of goods and net commission from concessionaire sales	Revenue is recognised when the goods are accepted by the customers at the stores of the Company. When the Company acts in the capacity of an agent rather than as principal, the revenue recognised is the net amount of commission made.	Cash term	Customers may earn loyalty points and rebates (see below).	The Company allows returns for exchange with new goods under normal circumstances within 14 days from the date of purchase.
Property management services	Revenue is recognised on a straight-line basis over the term of the lease.	Credit period of 30 days from invoice date.	Not applicable.	Not applicable.
Loyalty program	Customers who purchase the products using members' card are entitled to earn points and rebates that are redeemable against any future purchases. The amount will be recognised as revenue when the points and rebates are redeemed by customers, or have expired or are no longer expected to be redeemed.	The points and rebates will expire between 6 months to 3 years.	The Company allocates a portion of the consideration received to loyalty points and rebates. The consideration allocated to the points issued and rebates given is measured at fair value, i.e. the relative selling prices. This amount is deferred and included in contract liabilities. For loyalty points, the amount of revenue recognised is based on the number of points that have been redeemed, relative to the total number of points expected to be redeemed. For rebates, the revenue is estimated by reference to the monetary value attributable to customer rebates and redemption profile.	Not applicable.

Notes to the Financial Statements

19. Operating profit

	2021 RM'000	2020 RM'000
Operating profit is arrived at after charging/(crediting):		
<i>Auditors' remuneration</i>		
- Audit fees		
- KPMG Desa Megat PLT Malaysia	-	280
- KPMG PLT Malaysia	280	-
- Non-audit fees		
- KPMG Desa Megat PLT Malaysia	-	20
- KPMG PLT Malaysia	38	-
- Local affiliates of KPMG Desa Megat PLT in Malaysia	-	170
- Local affiliates of KPMG PLT in Malaysia	132	-
Material expenses/(income)		
Amortisation of intangible assets	6,662	6,028
Depreciation of property, plant and equipment	288,219	320,061
Depreciation of right-of-use assets	169,503	169,595
Dividend income	(2,252)	(1,077)
Intangible assets written off	121	271
Loss/(Gain) on disposal of property, plant and equipment	1,080	(13)
Personnel expenses (including key management personnel):		
- Contributions to Employees Provident Fund	35,649	37,309
- Wages, salaries and others	292,456	291,999
Property, plant and equipment written off	1,888	2,585
(Reversal of impairment)/Impairment loss:		
- Trade receivables	(5,281)	15,302
- Right-of-use assets	13,500	-
Royalty expense	16,901	16,262
Expenses arising from leases		
Expenses relating to short-term lease	425	1,097
Expenses relating to leases of low-value	294	203

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20. Interest expense

	2021 RM'000	2020 RM'000
Interest expense of financial liabilities that are not at fair value through profit or loss	22,835	32,863
Interest expense on lease liabilities	107,064	116,500
	129,899	149,363

21. Key management personnel compensation

The key management personnel compensations are as follows:

	2021 RM'000	2020 RM'000
Directors:		
Fees	1,005	1,096
Remuneration	3,230	4,784
Other short-term employee benefits (including estimated monetary value of benefits-in-kind)	80	91
	4,315	5,971

22. Tax expense

	2021 RM'000	2020 RM'000
Current tax expense		
- Current year	70,202	77,551
- (Over)/Under provision in prior year	(3,282)	9,794
	66,920	87,345
Deferred tax expense		
- Reversal of temporary differences	(12,394)	(12,497)
- Over provision in prior year	(8,799)	(14,515)
	(21,193)	(27,012)
Tax expense	45,727	60,333
Reconciliation of tax expense		
Profit before tax	131,014	101,756
Tax calculated using Malaysian tax rate of 24% (2020: 24%)	31,443	24,421
Non-deductible expenses	27,097	40,899
Non-taxable income	(732)	(266)
	57,808	65,054
(Over)/Under provision in prior year		
- Current tax expense	(3,282)	9,794
- Deferred tax expense	(8,799)	(14,515)
Tax expense	45,727	60,333

Notes to the Financial Statements

23. Other comprehensive income

	2021		2020	
	Before tax RM'000	Net of tax RM'000	Before tax RM'000	Net of tax RM'000
Item that will not be reclassified subsequently to profit or loss				
Net change in fair value of equity investments at fair value through other comprehensive income	7,523	7,523	(9,938)	(9,938)

24. Earnings per ordinary share

Basic earnings per ordinary share

The calculation of basic earnings per ordinary share was based on the profit attributable to ordinary shareholders of the Company and the weighted average number of ordinary shares outstanding during the period.

	2021 RM'000	2020 RM'000
Profit for the year attributable to owners of the Company	85,287	41,423

	2021 '000	2020 '000
Weighted average number of ordinary shares at 31 December	1,404,000	1,404,000

	2021 Sen	2020 Sen
Basic earnings per ordinary share	6.07	2.95

Diluted earnings per ordinary share

There is no dilution in earnings per share as there is no potential diluted ordinary shares.

25. Dividend

Dividend recognised by the Company is as follows:

	Sen per share	Total amount RM'000	Date of payment
2021			
Final 31.12.2020 dividend	1.50	21,060	29 July 2021
2020			
Final 31.12.2019 dividend	4.00	56,160	30 July 2020

After the end of the reporting period, the following dividend was recommended by the Directors. The dividend will be recognised in subsequent financial period upon approval by the owners of the Company.

	Sen per share	Total amount RM'000
Final 31.12.2021 dividend	3.00	42,120

Notes to the Financial Statements

26. Operating segments (continued)**Geographical segment**

There is no geographical information as the Company is predominantly operating in Malaysia.

27. Capital management

The Company's objectives when managing capital is to maintain a strong capital base and safeguard the Company's ability to continue as a going concern, so as to maintain investors, creditors and market confidence and to sustain future development of the business. The Directors monitor and are determined to maintain an optimal debt-to-equity ratio and meet regulatory requirement.

There were no changes in the Company's approach to capital management during the year. Under the requirement of Bursa Malaysia Practice Note No. 17/2005, the Company is required to maintain shareholders' equity equal to or not less than 25% of the issued and paid-up capital (excluding treasury shares) and such shareholders' equity is not less than RM40 million. The Company has complied with this requirement.

28. Capital commitments

	2021 RM'000	2020 RM'000
Property, plant and equipment		
Contracted but not provided for and not payable:	38,690	7,950

29. Related parties**Identity of related parties**

For the purposes of these financial statements, parties are considered to be related to the Company if the Company has the ability, directly or indirectly, to control or jointly control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Company and the parties are subject to common control or common significant influence. Related parties may be individuals or other entities.

Related parties also include key management personnel defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Company either directly or indirectly. The key management personnel include all the Directors of the Company.

The Company has related party relationship with its holding company, related companies and associates.

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Notes to the Financial Statements

29. Related parties (continued)

Significant related party transactions

The significant related party transactions of the Company (other than key management personnel compensation as disclosed in Note 21) are shown below. The balances related to the below transactions are shown in Note 12 and 16.

	Transaction value		Balance outstanding	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Holding company:				
Royalty expenses	(16,901)	(16,262)	(15,765)	(16,262)
Related companies:				
Sales through AEON credit card	996,630	960,030	5,364	4,326
Sales through easy payment scheme financing	3,752	3,342	287	307
Rental income	8,907	18,036	325	2,608
Revenue through retailing	3,320	1,253	454	505
Support services	1,659	1,736	456	1,501
Retail support services	95	255	-	102
Management services	15,216	4,069	14,672	4,009
Trustee fee	30	29	-	-
Credit card sales commission expenses	(7,024)	(8,819)	-	-
Supply chain and distribution centre management fee	(54,689)	(56,171)	(9,000)	(8,378)
Purchase of merchandise	(3,465)	(1,872)	(2,240)	(265)
Purchase of consumables	(2,053)	(1,777)	(297)	(272)
Facility management service	(37,034)	(23,548)	(3,144)	(5,534)
Rental expense	(17,351)	(17,683)	(1)	-
Management fee	-	(1,746)	-	-
Loyalty point cost and service cost	(13,432)	(9,619)	(9,966)	(8,260)
Associates:				
Purchase of merchandise	(32,681)	(61,933)	(1)	(11,088)
Rental income	4,288	9,904	1,903	725

The terms and conditions for the above transactions are based on normal trade terms. All the amounts outstanding are unsecured and expected to be settled in cash.

Notes to the Financial Statements

30. Financial instruments

30.1 Categories of financial instruments

The table below provides an analysis of financial instruments as follows:

- (a) Amortised cost ("AC"); and
- (b) Fair value through other comprehensive income ("FVOCI")
 - Equity investment designated upon initial recognition ("EIDUIR")

	Carrying amount RM'000	AC RM'000	FVOCI - EIDUIR RM'000
2021			
Financial assets			
Other investments	63,251	-	63,251
Receivables and deposits (excluding prepayments)	103,904	103,904	-
Cash and cash equivalents	193,562	193,562	-
	360,717	297,466	63,251
Financial liabilities			
Borrowings	(728,333)	(728,333)	-
Payables and accruals	(1,185,234)	(1,185,234)	-
	(1,913,567)	(1,913,567)	-
2020			
Financial assets			
Other investments	55,728	-	55,728
Receivables and deposits (excluding prepayments)	80,620	80,620	-
Cash and cash equivalents	71,385	71,385	-
	207,733	152,005	55,728
Financial liabilities			
Borrowings	(933,580)	(933,580)	-
Payables and accruals	(1,075,553)	(1,075,553)	-
	(2,009,133)	(2,009,133)	-

30.2 Net gain/(loss) arising from financial instruments

Net gain/(loss) on:	2021 RM'000	2020 RM'000
Equity investment designated at fair value through other comprehensive income		
- recognised in other comprehensive income	7,523	(9,938)
Financial assets at amortised cost	5,926	(14,626)
Financial liabilities at amortised cost	(23,094)	(33,098)
	(9,645)	(57,662)

Notes to the Financial Statements

30. Financial instruments (continued)

30.3 Financial risk management

The Company has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

30.4 Credit risk

Credit risk is the risk of a financial loss to the Company if a customer, tenant or counterparty to a financial instrument fails to meet its contractual obligations. The Company's exposure to credit risk arise from its shopping mall tenants and credit card receivables. There are no significant changes as compared to prior periods.

Trade receivables and contract assets

Risk management objectives, policies and processes for managing the risk

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on shopping mall tenants. The Company requires all tenants to place adequate security deposits as stipulated under the tenancy agreement. In terms of its credit card receivables, which are basically from banking institutions, the Company has in place an ongoing process to monitor closely and ensure risk exposure is always minimal.

At each reporting date, the Company assesses whether any of the trade receivables and contract assets are credit impaired.

The gross carrying amounts of credit impaired trade receivables and contract assets are written off (either partially or full) when there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. Nevertheless, trade receivables and contract assets that are written off could still be subject to enforcement activities.

There are no significant changes as compared to previous year.

Exposure to credit risk and credit quality

As at the end of the reporting period, the Company does not have any major concentration of credit risk on its shopping mall tenants or credit card receivables and the maximum exposure to credit risk arising from trade receivables and contract assets is represented by the carrying amounts in the statement of financial position.

These receivables are credit card receivables from banking institution and regular tenants that have been transacting with the Company. The tenants are required to place adequate security deposits as stipulated under the tenancy agreement.

Recognition and measurement of impairment losses

In managing credit risk of trade receivables, the Company manages its debtors and takes appropriate actions (including but not limited to legal actions) to recover long overdue balances. Generally, trade receivables will pay within 120 days. The Company's debt recovery process is as follows:

- a) Above 90 days past due after credit term, the Company will start to initiate a structured debt recovery process which is monitored by the tenant management team; and
- b) Above 180 days past due, the Company will commence a legal proceeding against the customer.

The Company uses an allowance matrix to measure expected credit losses ("ECLs") of trade receivables. Consistent with the debt recovery process, invoices which are past due 90 days will be considered as credit impaired.

Loss rates are calculated using a 'roll rate' method based on the probability of a receivable progressing through successive stages of delinquency to 90 days past due.

Loss rates are based on actual credit loss experience over the past two years. The Company also considers differences between (a) economic conditions during the period over which the historic data has been collected, (b) current conditions and (c) the Company's view of economic conditions over the expected lives of the receivables. Nevertheless, the Company believes that these factors are immaterial for the purpose of impairment calculation for the year.

Notes to the Financial Statements

30. Financial instruments (continued)

30.4 Credit risk (continued)

*Trade receivables and contract assets (continued)**Recognition and measurement of impairment losses (continued)*

The following table provides information about the exposure to credit risk and ECLs for trade receivables and contract assets which are grouped together as they are expected to have similar risk nature.

	Gross carrying amount RM'000	Loss allowance RM'000	Net balance RM'000
2021			
Current (not past due)	23,563	-	23,563
1 – 30 days past due	4,217	(838)	3,379
31 – 60 days past due	3,668	(729)	2,939
61 – 90 days past due	4,180	(831)	3,349
	35,628	(2,398)	33,230
Credit impaired			
More than 90 days past due	61,937	(12,307)	49,630
Individually impaired	10,069	(5,232)	4,837
	107,634	(19,937)	87,697
Trade receivables	93,149	(19,937)	73,212
Contract assets	14,485	-	14,485
	107,634	(19,937)	87,697
Collateralised trade receivables			
- Where no loss allowance recognised	36,150	-	36,150
- Where loss allowance recognised	51,311	(19,181)	32,130
	87,461	(19,181)	68,280

Notes to the Financial Statements

30. Financial instruments (continued)

30.4 Credit risk (continued)

*Trade receivables and contract assets (continued)**Recognition and measurement of impairment losses (continued)*

	Gross carrying amount RM'000	Loss allowance RM'000	Net balance RM'000
2020			
Current (not past due)	25,223	-	25,223
1 – 30 days past due	9,081	(2,715)	6,366
31 – 60 days past due	5,693	(1,702)	3,991
61 – 90 days past due	5,021	(1,501)	3,520
	45,018	(5,918)	39,100
Credit impaired			
More than 90 days past due	43,954	(13,139)	30,815
Individually impaired	11,901	(6,161)	5,740
	100,873	(25,218)	75,655
Trade receivables	91,109	(25,218)	65,891
Contract assets	9,764	-	9,764
	100,873	(25,218)	75,655
Collateralised trade receivables			
- Where no loss allowance recognised	32,569	-	32,569
- Where loss allowance recognised	51,269	(21,073)	30,196
	83,838	(21,073)	62,765

Trade receivables and contract assets which are credit impaired amounting to RM51,311,000 (2020: RM51,269,000) are partially collateralised in the form of security deposit as stipulated in the lease agreement. Impairment loss has been provided to the extent of the collateral value of the security deposit of RM32,130,000 (2020: RM30,196,000).

There are trade receivables where the Company has not recognised any loss allowance as the trade receivables are supported by security deposits in managing exposure to credit risk.

Notes to the Financial Statements

30. Financial instruments (continued)

30.4 Credit risk (continued)

*Trade receivables and contract assets (continued)**Recognition and measurement of impairment losses (continued)*

The movements in loss allowance in respect of trade receivables and contract assets during the year are shown below:

	Trade receivables			Contract assets RM'000	Total RM'000
	Lifetime ECL RM'000	Credit impaired RM'000			
Balance at 1 January 2020	3,412	6,504	-	9,916	
Net remeasurement of loss allowance	15,645	(343)	-	15,302	
Balance at 31 December 2020/ 1 January 2021	19,057	6,161	-	25,218	
Net remeasurement of loss allowance	(4,352)	(929)	-	(5,281)	
Balance at 31 December 2021	14,705	5,232	-	19,937	

Cash and cash equivalents

The cash and cash equivalents are held with banks and financial institutions. As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statement of financial position.

These banks and financial institutions have low credit risks. In addition, some of the bank balances are insured by government agencies. Consequently, the Company is of the view that the loss allowance is not material and hence, it is not provided for.

Amount due from related companies

As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statement of financial position. Generally, the Company considers balances with related companies have low credit risk. The Company assumes that there is a significant increase in credit risk when a related company's financial position deteriorates significantly. As the Company is able to determine the timing of payments of the related company balance when they are payable, the Company considers the balances to be in default when the related companies are not able to pay when demanded.

At the end of the reporting period, the Company does not recognise any allowance for impairment loss.

Other receivables

Credit risks on other receivables are mainly arising from sundry receivable. As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statement of financial position. The Company does not consider it necessary to recognise any allowance for impairment losses.

Notes to the Financial Statements

30. Financial instruments (continued)

30.5 Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's exposure to liquidity risk arise principally from its various payables, loans and borrowings.

Risk management objectives, policies and processes for managing the risk

The Company monitors and maintains a level of cash and cash equivalents, and banking facilities that are deemed adequate by management for the Company's operational needs and mitigate effects of fluctuations in cash flows and liquidity. The Company's deposits are also placed with licensed financial institutions which are highly liquid.

The Company has established an Islamic Commercial Papers Programme with a limit up to RM300.0 million and an Islamic Medium Term Notes Programme with a limit of up to RM1.0 billion, under a combined master limit of up to RM1.0 billion in nominal value based on the Shariah principle of Murabahah via Tawarruq arrangement. As at 31 December 2021, a total of RM455.0 million (2020: RM585.0 million) in respect of this facility has yet to be issued. As at year end, RM782.0 million (2020: RM458.5 million) of revolving loan remain unutilised. Given the available financing facilities and the ability of the Company to generate sufficient operating cash flows based on historical trend of positive operating cashflows, the Directors are of the opinion that the Company will be able to meet its liabilities as and when they fall due.

It is not expected that the cash flows included in maturity analysis could occur significantly earlier, or at significantly different amounts.

Maturity analysis

The table below summarises the maturity profile of the Company's financial liabilities as at the end of the reporting period based on undiscounted contractual payments:

	Carrying amount RM'000	Contractual interest rate %	Contractual cash flows RM'000	Under 1 year RM'000	2 to 5 years RM'000	After 5 years RM'000
2021						
Bank loans	183,333	2.99 - 3.03	192,060	60,630	131,430	-
Islamic Commercial Papers	175,000	2.14	175,000	175,000	-	-
Islamic Medium Term Notes	370,000	3.10 - 3.15	387,841	181,541	206,300	-
Lease liabilities	2,064,988	2.91 - 10.59	2,880,658	266,372	983,636	1,630,650
Payables and accruals	1,185,234	-	1,185,234	1,165,644	19,590	-
	3,978,555		4,820,793	1,849,187	1,340,956	1,630,650
2020						
Revolving credits	313,500	2.20 - 2.53	314,283	314,283	-	-
Bank loans	205,080	2.96 - 4.39	209,224	209,224	-	-
Islamic Commercial Papers	245,000	2.18 - 2.26	246,310	246,310	-	-
Islamic Medium Term Notes	170,000	3.15	175,384	175,384	-	-
Lease liabilities	2,230,339	2.91 - 10.59	3,151,258	264,701	1,021,896	1,864,661
Payables and accruals	1,075,553	-	1,075,553	1,075,553	-	-
	4,239,472		5,172,012	2,285,455	1,021,896	1,864,661

Notes to the Financial Statements

30. Financial instruments (continued)

30.6 Market risk

Market risk is the risk that changes in market prices, such as interest rates, foreign exchange rates and other prices that will affect the Company's financial position or cash flows.

30.6.1 Interest rate risk

The Company's exposure to interest rate risk relates to its long term and short term borrowings such as overdraft and trade financing facilities. Interest-earning financial assets are mainly deposits placed with financial institutions that generate interest income.

Risk management objectives, policies and processes for managing the risk

The management monitors closely the prevailing interest rates at regular intervals and ensure that the Company obtains competitive rates for its banking facilities, interest earning deposits, long term and short term borrowings.

In view of the competitive rates that are available from the prevailing banking facilities granted to the Company to finance its working capital requirements and the prevailing low interest rate scenario, the interest rate risk is not expected to have a material impact on the Company.

Exposure to interest rate risk

The interest rate profile of the Company's significant interest-bearing financial instruments, based on carrying amounts as at the end of the reporting period were:

	2021 RM'000	2020 RM'000
Fixed rate instruments		
<i>Financial asset</i>		
Deposits placed with licensed financial institutions	176,099	53,118
<i>Financial liabilities</i>		
Revolving credits	-	(313,500)
Bank loans	(183,333)	(205,080)
Islamic Medium Term Notes and Islamic Commercial Papers	(545,000)	(415,000)
Lease liabilities	(2,064,988)	(2,230,339)
	(2,793,321)	(3,163,919)
	(2,617,222)	(3,110,801)

Fair value sensitivity analysis for fixed rate instruments

The Company does not account for any fixed rate financial assets and liabilities at fair value through profit or loss, and Company does not designate derivatives as hedging instruments under a fair value hedge accounting model. Therefore, a change in interest rates at the end of the reporting period would not affect profit or loss.

Notes to the Financial Statements

30. Financial instruments (continued)

30.6 Market risk (continued)

30.6.2 Foreign currency risk

The Company does not have any significant exposure to foreign currency risk as its transactions and balances are substantially denominated in Ringgit Malaysia.

30.6.3 Other price risk

Equity price risk arises from the Company's investments in equity securities.

Risk management objectives, policies and processes for managing the risk

The Company's equity investments are monitored regularly and subject to periodical review. Transaction decisions are approved by the Board.

Equity price risk sensitivity analysis

A 1% (2020: 1%) increase in the market price of the investment as at the end of the reporting period would have increased equity by RM633,000 (2020: RM557,000). A 1% (2020: 1%) decrease in market price would have had equal but opposite effect on equity.

Notes to the Financial Statements

30. Financial instruments (continued)

30.7 Fair value of financial instruments

30.7.1 Fair value information

The carrying amounts of cash and cash equivalents, short term receivables, short term borrowings and payables reasonably approximate their fair values due to the relatively short term nature of these financial instruments. The table below analyses financial instruments carried at fair value and those not carried at fair value for which fair value is disclosed, together with their fair values and carrying amounts shown in the statement of financial position.

	Fair value of financial instruments carried at fair value				Fair value of financial instruments not carried at fair value				Total fair value RM'000	Carrying amount RM'000
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000		
2021										
Financial asset										
Investment in quoted equities	63,251	-	-	63,251	-	-	-	-	63,251	63,251
Financial liability										
Borrowings	-	-	-	-	-	-	(723,453)	(723,453)	(723,453)	(728,333)
2020										
Financial asset										
Investment in quoted equities	55,728	-	-	55,728	-	-	-	-	55,728	55,728
Financial liability										
Borrowings	-	-	-	-	-	-	(920,946)	(920,946)	(920,946)	(933,580)

Notes to the Financial Statements

30. Financial instruments (continued)

30.7 Fair value of financial instruments (continued)

30.7.1 Fair value information (continued)

Policy on transfer between levels

The fair value of an asset to be transferred between levels is determined as of the date of the event or change in circumstances that caused the transfer.

Level 1 fair value

Investment in quoted equities

The fair value of investment in quoted equities is derived from quoted price (unadjusted) in active markets for identical financial assets or liabilities that the entity can access at the measurement date.

Transfers between Level 1 and Level 2 fair values

There has been no transfer between Level 1 and Level 2 fair values during the financial year (2020: no transfer in either directions).

Level 3 fair value

The following table shows the valuation techniques used in the determination of fair values within Level 3, as well as the key unobservable inputs used in the valuation models.

Financial instruments not carried at fair value

Type	Description of valuation technique and inputs used
Borrowings	Discounted cash flows using a rate based on the current market rate of borrowing of the Company at the reporting date.

Notes to the Financial Statements

31. Material litigation

On 2 March 2021, the Company received a legal suit from Betanaz Properties Sdn. Bhd. ("Plaintiff"), a subsidiary of Ahmad Zaki Resources Berhad ("AZRB"), who alleged that the Company did not comply with its obligations under the Tenancy Agreement dated 24 August 2017 to fulfill the conditions precedent under the Tenancy Agreement and had wrongfully terminated the Tenancy Agreement. The Plaintiff is seeking for, among others, the following reliefs:

- (i) Rental payment payable to the Plaintiff for the tenancy period between 1 April 2020 to 17 December 2021 and for the initial term of ten (10) years of the lease amounting to a total sum of RM59,302,302.97; or
- (ii) Expenditure incurred by the Plaintiff for the project, including but not limited to site clearance and earthworks, consultancy fees, financing costs and other incidental costs arising from the banking facilities and others costs amounting to RM18,936,207.76.

On 29 March 2021, the Company filed the defence against the Plaintiff. Further, the Company, as the plaintiff, filed a counterclaim against Betanaz Properties Sdn. Bhd. as the first defendant, and AZRB as the second defendant due to the non-fulfillment of the conditions precedent on the part of the defendants prior to the expiry of the respective conditional periods and the Tenancy Agreement dated 24 August 2017 and Commercial Agreement dated 24 August 2017 had been rendered void due to the expiry of the conditional period on 23 October 2020 and 23 January 2020 respectively.

The Company is claiming, among others, the return or payment of approximately RM2,303,087.00 being the consultation fees for the project from the Plaintiff as first defendant and approximately RM28,415,094.44 being the contribution towards the construction of the bridge connecting Bandar Kuantan to Bandar Putra, Tanjung Lumpur, Pahang ("Bridge"), from AZRB as the second defendant.

On 22 October 2021, the High Court allowed AZRB's application to strike out the Company's counterclaim against AZRB.

On 26 October 2021, the Company filed and served the Notice of Appeal against the decision of the High Court judge. Following the case management on 28 January 2022, the hearing date is fixed on 9 May 2022.

Based on the advice by the Company's legal counsel, the Directors are of the view that the abovementioned general damages sought by the Plaintiff are contradictory to the Rules of Court as the same should not have been quantified as if it were special damages. Hence, provisions are not required in respect of these matters, as it is not probable that a future sacrifice of economic benefits will be required or the amount is not capable of reliable measurement.

Statement by Directors

Pursuant To Section 251(2) Of The Companies Act 2016

In the opinion of the Directors, the financial statements set out on pages 113 to 165 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Company as at 31 December 2021 and of its financial performance and cash flows for the financial year then ended.

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors:

.....
Datuk Iskandar bin Sarudin
Director

.....
Shafie bin Shamsuddin
Director

Kuala Lumpur

Date: 28 March 2022

Statutory Declaration

Pursuant To Section 251(1)(B) Of The Companies Act 2016

I, Dr Grace Lee Hwee Ling, the Officer primarily responsible for the financial management of AEON CO. (M) BHD., do solemnly and sincerely declare that the financial statements set out on pages 113 to 165 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the declaration to be true, and by virtue of the Statutory Declarations Act 1960.

Subscribed and solemnly declared by the abovenamed Dr Grace Lee Hwee Ling, at Kuala Lumpur in the Federal Territory on 28 March 2022.

.....

Before me:

Independent Auditors' Report

To The Members Of AEON CO. (M) BHD.

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of AEON CO. (M) BHD., which comprise the statement of financial position as at 31 December 2021, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 113 to 165.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2021, and of its financial performance and its cash flows for the year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our auditors' report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and Other Ethical Responsibilities

We are independent of the Company in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Company for the current year. These matters were addressed in the context of our audit of the financial statements of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

i) Impairment of property, plant and equipment and right-of-use assets

Refer to Note 2(d) – Significant accounting policy: Property, plant and equipment, Note 2(e) – Significant accounting policy: Leases, Note 3 – Property, plant and equipment and Note 4 – Right-of-use assets.

The key audit matter

In light of the industry and business environment which the Company operates in, there are significant balances of property, plant and equipment and right-of-use assets amounting to RM3,108,208,000 and RM1,501,217,000 respectively as at 31 December 2021. There is a risk that the carrying value of these assets may be higher than the recoverable amount. The determination of whether or not an impairment charge for property, plant and equipment and right-of-use assets is necessary involved significant judgement about the future results of the business and assessment of future plans for the Company's property, plant and equipment and right-of-use assets.

Independent Auditors' Report

To The Members Of AEON CO. (M) BHD.

Key Audit Matters (continued)

i) Impairment of property, plant and equipment and right-of-use assets (continued)

How the matter was addressed in our audit

We performed the following audit procedures, among others:

- Enquired on any indication of impairment of property, plant and equipment and right-of-use assets.
- Obtained the discounted future cash flow projections for those stores with indication of impairment and evaluated the appropriateness of the key assumptions used in particular those relating to revenue growth and the discount rate applied to the cash flows model. We assessed the key assumptions for its cash flow projections, with reference to internal and external derived sources, taking into account the accuracy of the Company's historical forecasting.
- Performed sensitivity analysis of the key drivers, revenue growth rates and discount rate of the cash flow projections to ascertain the extent of change in those assumptions that either individually or collectively would be required for the assets to be further impaired. We also considered the likelihood of such movement in those key drivers.
- Assessed the adequacy of the Company's disclosure in respect of impairment of property, plant and equipment and right-of-use assets including those key assumptions to which the outcome of the impairment test is most sensitive.

ii) Inventory

Refer to Note 2(g) – Significant accounting policy: Inventories and Note 10 – Inventories.

The key audit matter

The Company held significant inventory balances as at 31 December 2021 of RM601,176,000. Inventory is valued using weighted average cost of merchandise derived using the Retail Inventory Method ("RIM"). Allowance is made against inventory on the estimated losses related to shrinkage and slow moving or obsolete inventory. The valuation of inventory is a key audit matter because of the judgement involved in assessing the level of allowance required. The use of RIM in inventory costing requires certain assumption on the consistent mark up across all products in current and prior periods.

Given the value of the inventory balance and number of stores the Company has, the completeness and existence of inventory is also an area of focus in our audit.

How the matter was addressed in our audit

We performed the following audit procedures, among others:

- Engaged IT Audit and tested the design and effectiveness of controls over the weighted average cost of inventory derived using RIM.
- Tested the design and effectiveness of controls over the identification of slow moving inventories and obtained an understanding of the management's process for measuring the amount of write down required.
- Tested a sample of inventories to sales subsequent to the year end and ascertained that they were sold at a price higher than its carrying amount derived using the RIM as at year end.
- Assessed the adequacy of the allowance made by checking the accuracy of the historical data by sampling basis and the explanation provided.
- Performed stock count on selected stores and based on samples selected, performed rollback procedure from year end inventories balance to count date of the particular stores.

Independent Auditors' Report

To The Members Of AEON CO. (M) BHD.

Key Audit Matters (continued)

iii) MFRS 16, Leases

Refer to Note 2(e) – Significant accounting policy: Leases and Note 4 – Right-of-use assets.

The key audit matter

The application of MFRS 16, Leases gives rise to right-of-use assets of RM1,501,217,000 with a corresponding lease liabilities of RM2,064,988,000. There is judgement involved in estimating the lease period (including termination and renewal option) and the discount rate used in the calculation of lease liabilities and right-of-use assets. The Company has early adopted Amendments to MFRS 16, *Leases-Covid-19-Related Rent Concessions beyond 30 June 2021* which is effective for annual periods beginning on or after 1 April 2021. The judgement involved in estimating lease period, the discount rate, the new amendments on MFRS 16, *Leases – COVID-19-Related Rent Concessions*, together with the material nature of the balances on application of MFRS 16, are significant to our audit.

How the matter was addressed in our audit

We performed the following audit procedures, among others:

- Evaluated the appropriateness of the selection of accounting policies applied based on the requirements of MFRS 16, our business understanding and industry practice.
- Evaluated management's process for identifying lease contracts to be assessed based on the selected transition approach and any practical expedients applied.
- Identified and tested relevant controls on the completeness, valuation and existence of right-of-use assets and lease liabilities.
- Evaluated the reasonableness of management's key judgement and estimates used in the lease calculations, specifically the term of the tenancy agreement and the appropriateness of discount rates used.
- Evaluated the completeness, accuracy and relevance of data used in the lease calculation.
- Selected samples of contract and evaluated the appropriateness of lease liability and right-of-use asset computations.

Information Other than the Financial Statements and Auditors' Report Thereon

The Directors of the Company are responsible for the other information. The other information comprises the information included in Directors' report and Statement of Risk Management and Internal Control (but does not include the financial statements of the Company and our auditors' report thereon), which we obtained prior to the date of this auditors' report, and the remaining parts of the annual report, which are expected to be made available to us after that date.

Our opinion on the financial statements of the Company does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Company, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Company or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information that we obtained prior to the date of this auditors' report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the remaining parts of the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the Directors of the Company and take appropriate actions in accordance with approved standards on auditing in Malaysia and International Standards on Auditing.

Independent Auditors' Report

To The Members Of AEON CO. (M) BHD.

Responsibilities of the Directors for the Financial Statements

The Directors of the Company are responsible for the preparation of financial statements of the Company that give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Company, the Directors are responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Company.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of the Company, including the disclosures, and whether the financial statements of the Company represent the underlying transactions and events in a manner that gives a true and fair view.
- Obtain sufficient appropriate audit evidence regarding the financial information of the business activities within the Company to express an opinion on the financial statements of the Company. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

Independent Auditors' Report

To The Members Of AEON CO. (M) BHD.

Auditors' Responsibilities for the Audit of the Financial Statements (continued)

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial statements of the Company for the current year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our auditors' report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

KPMG PLT
(LLP0010081-LCA & AF 0758)
Chartered Accountants

Petaling Jaya, Malaysia

Date: 28 March 2022

Ong Beng Seng
Approval Number: 02981/05/2022 J
Chartered Accountant

ADDITIONAL INFORMATION

Analysis of Shareholdings

As At 31 March 2022

Issued Share Capital : RM702,000,000 comprising 1,404,000,000 Ordinary Shares
 Voting Rights : 1 vote per Ordinary Share

Analysis by size of Shareholdings

(Based on the Record of Depositors of the Company)

Size of Shareholdings	No. of Shareholders/ Depositors	% of Shareholders/ Depositors	No. of Shares held	% of Shares held
1 - 99	594	6.03	6,195	0.00
100 - 1,000	2,750	27.90	1,643,639	0.12
1,001 - 10,000	4,718	47.88	20,955,039	1.49
10,001 - 100,000	1,441	14.62	43,639,315	3.11
100,001 - 70,199,999(*)	351	3.56	621,715,812	44.28
70,200,000 and above (**)	1	0.01	716,040,000	51.00
Total	9,855	100.00	1,404,000,000	100.00

* Less than 5% of issued shares

** 5% and above of issued shares

Substantial Shareholders

(Based on Register of Substantial Shareholders of the Company)

No.	Name	No. of Shares			
		Direct Interest	%	Indirect Interest	%
1	AEON Co., Ltd.	725,640,000	51.68	-	-
2	Employees Provident Fund Board	154,829,600	11.03	-	-

Directors' Interest

(Based on Register of Directors' Shareholdings of the Company)

No.	Name	No. of Shares			
		Direct Interest	%	Indirect Interest	%
1	Datuk Iskandar bin Sarudin	-	-	-	-
2	Shafie bin Shamsuddin	1,211,000	0.086	-	-
3	Tsutomu Motomura	-	-	-	-
4	Datuk Syed Ahmad Helmy bin Syed Ahmad	-	-	-	-
5	Dato' Tunku Putra Badlishah Ibni Tunku Annuar	-	-	-	-
6	Abdul Rahim bin Abdul Hamid	-	-	-	-
7	Chong Swee Ying	42,600	0.003	*11,000	0.0007
8	Soichi Okazaki	240,000	0.017	-	-

* Indirect interest pursuant to Section 59(11)(c) of the Companies Act, 2016.

Analysis of Shareholdings

As At 31 March 2022

List of Thirty (30) Largest Shareholders

(Based on Record of Depositors of the Company)

NO.	NAME	No. of Shares Held	% of Shares Held
1	AEON CO., LTD	716,040,000	51.00
2	AMANAHRAYA TRUSTEES BERHAD AMANAH SAHAM BUMIPUTERA	68,762,500	4.90
3	CITIGROUP NOMINEES (TEMPATAN) SDN BHD EMPLOYEES PROVIDENT FUND BOARD	61,428,100	4.38
4	CITIGROUP NOMINEES (TEMPATAN) SDN BHD EMPLOYEES PROVIDENT FUND BOARD (AFFIN-HWG)	55,586,400	3.96
5	LEMBAGA TABUNG HAJI	48,938,200	3.49
6	CITIGROUP NOMINEES (TEMPATAN) SDN BHD EMPLOYEES PROVIDENT FUND BOARD (NOMURA)	26,954,600	1.92
7	CITIGROUP NOMINEES (ASING) SDN BHD EXEMPT AN FOR CITIBANK NEW YORK (NORGES BANK 14)	18,016,400	1.28
8	CITIGROUP NOMINEES (TEMPATAN) SDN BHD KUMPULAN WANG PERSARAAN (DIPERBADANKAN) (AHAM EQUITY FUND)	13,032,300	0.93
9	HSBC NOMINEES (TEMPATAN) SDN BHD HSBC (M) TRUSTEE BHD FOR MANULIFE INVESTMENT SHARIAH PROGRESS FUND	12,727,400	0.91
10	MAYBANK NOMINEES (TEMPATAN) SDN BHD NATIONAL TRUST FUND (IFM KENANGA) (410196)	11,987,600	0.85
11	CARTABAN NOMINEES (TEMPATAN) SDN BHD PAMB FOR PRULINK EQUITY FUND	10,908,900	0.78
12	AMANAHRAYA TRUSTEES BERHAD PUBLIC STRATEGIC SMALLCAP FUND	10,176,700	0.72
13	CIMB ISLAMIC NOMINEES (TEMPATAN) SDN BHD CIMB ISLAMIC TRUSTEE BERHAD - KENANGA SYARIAH GROWTH FUND	10,117,300	0.72
14	CITIGROUP NOMINEES (ASING) SDN BHD EXEMPT AN FOR NOMURA SECURITIES CO LTD (CLIENT AC)	9,600,000	0.68
15	CIMB GROUP NOMINEES (TEMPATAN) SDN BHD CIMB COMMERCE TRUSTEE BERHAD - KENANGA GROWTH FUND	9,297,000	0.66
16	ROSHAYATI BINTI BASIR	9,240,000	0.66
17	CIMB GROUP NOMINEES (TEMPATAN) SDN BHD CIMB COMMERCE TRUSTEE BERHAD FOR KENANGA SHARIAH GROWTH OPPORTUNITIES FUND (50156 TR01)	9,069,300	0.65
18	CITIGROUP NOMINEES (TEMPATAN) SDN BHD KUMPULAN WANG PERSARAAN (DIPERBADANKAN) (KENANGA)	8,976,700	0.64
19	CITIGROUP NOMINEES (TEMPATAN) SDN BHD KUMPULAN WANG PERSARAAN (DIPERBADANKAN) (AFFIN ABSR EQ)	8,790,000	0.63
20	HSBC NOMINEES (TEMPATAN) SDN BHD HSBC (M) TRUSTEE BHD FOR SINGULAR VALUE FUND	8,238,900	0.59
21	MAYBANK NOMINEES (TEMPATAN) SDN BHD MTRUSTEE BERHAD FOR PRINCIPAL DALI EQUITY GROWTH FUND (UT-CIMB-DALI) (419455)	7,877,400	0.56
22	CARTABAN NOMINEES (ASING) SDN BHD SSBT FUND J724 FOR SPDR S&P EMERGING MARKETS ETF	6,267,448	0.45
23	DB (MALAYSIA) NOMINEE (TEMPATAN) SENDIRIAN BERHAD DEUTSCHE TRUSTEES MALAYSIA BERHAD FOR EASTSPRING INVESTMENTS DANA AL-ILHAM	5,598,100	0.40
24	SYARIKAT MALURI SDN BHD	4,920,000	0.35
25	CITIGROUP NOMINEES (TEMPATAN) SDN BHD GREAT EASTERN LIFE ASSURANCE (MALAYSIA) BERHAD (LSF)	4,892,800	0.35
26	HIDENORI FUTAGI	4,800,000	0.34
27	CITIGROUP NOMINEES (TEMPATAN) SDN BHD EMPLOYEES PROVIDENT FUND BOARD (RHBISLAMIC)	4,704,500	0.34
28	PERMODALAN NASIONAL BERHAD	4,500,000	0.32
29	CIMB GROUP NOMINEES (TEMPATAN) SDN BHD CIMB COMMERCE TRUSTEE BERHAD - KENANGA MALAYSIAN INC FUND	4,230,000	0.30
30	CIMB GROUP NOMINEES (TEMPATAN) SDN BHD CIMB COMMERCE TRUSTEE BERHAD FOR KENANGA GROWTH OPPORTUNITIES FUND (50154 TR01)	4,119,800	0.29
	TOTAL	1,179,798,348	84.05

ADDITIONAL INFORMATION

Particulars of Properties

As At 31 December 2021

Details of AEON's properties as at 31 December 2021 are set out below:

Location	Description/ Existing use	Land/Built-up area (sq ft)	Date of Acquisition (A)/ Completion (C)/ Revaluation (R)	Approx . age of building (year)	Tenure	Net Book Value as at 31/12/2021 (RM'000)
Lot 7041, Mukim of Bukit Baru, District of Melaka Tengah, Melaka.	Leasehold Land/	436,036/	February 1995 (R)	28	99 years expiring on 19/12/2089	38,281
	Existing two- storey shopping centre	200,316				
	Extension/ Renovation with rooftop car park	179,989		21½		
Lot 23551, Mukim of Setapak, District and State of Wilayah Persekutuan.	Leasehold land/	368,516/	February 1995 (R)	27½	95 years expiring on 28/03/2085	60,290
	Two-storey shopping centre and three- storey car park	666,694				
Lot PT 21441, Mukim of Kapar, District of Klang, Selangor Darul Ehsan.	Leasehold land/	643,753/	June 1994 (A)/	24	99 years expiring on 09/05/2093	40,145
	Two-storey shopping centre and two-storey car park	691,414	October 1995 (C)			
Lot 49045, Mukim of Pulai, District of Johor Bahru, Johor Darul Takzim.	Freehold land/	377,490/	April 2002 (A)/	17½	Freehold	19,467
	Two-storey shopping centre including covered car park	483,299	August 2002 (C)			
Lot 62232, Mukim Batu, Daerah Kuala Lumpur, Wilayah Persekutuan.	Leasehold land/	409,577/	January 2004 (C)	16	99 years expiring on 25/08/2103	68,919
	Two-storey shopping centre and three- storey car park	906,497				
Lot 102076, Mukim of Tebrau, District of Johor Bahru, Johor Darul Takzim.	Freehold land/	1,308,035/	March 2004 (A)/	14	Freehold	321,144
	Three-storey shopping centre with basement car park	1,468,693	January 2006 (C)			
	Extension/ Renovation	2,854,623	October 2016 (C)	3¼		
Lot PT 41977	Leasehold land/	550,910/	April 2004 (A)/	13	99 years expiring on 12/04/2103	66,054
Lot 3144, Mukim of Cheras, District of Ulu Langat, Selangor Darul Ehsan.	Freehold land/	113,451/	April 2004 (A)/			
	Two-storey shopping centre and two-storey car park	893,819	December 2006 (C)		Freehold	

Particulars of Properties

As At 31 December 2021

Location	Description/ Existing use	Land/Built-up area (sq ft)	Date of Acquisition (A)/ Completion (C)/ Revaluation (R)	Approx . age of building (year)	Tenure	Net Book Value as at 31/12/2021 (RM'000)
Lot 5106, Mukim Ulu Kelang, Kuala Lumpur.	Leasehold land/	631,620/	March 2007 (A)/	11	87 years expiring on 05/04/2083	111,260
	Two-storey shopping centre with basement car park	895,449	December 2008 (C)			
Lot 136962, Mukim Pulai, District of Johor Bahru, Johor Darul Takzim.	Freehold land/	1,645,671/	October 2007 (A)/	11	Freehold	212,205
	Three-storey shopping centre with open car park	845,634	December 2008 (C)			
PT 239099, Mukim Hulu Kinta, Daerah Kinta, Perak Darul Ridzuan.	Leasehold land/	755,855/	June 2010 (A)/	8	99 years expiring on 03/11/2109	108,087
	Three-storey shopping centre with two-storey car park	1,287,504	March 2012 (C)			
Lot 106273, Mukim Kulai, Daerah Kulajaya, Johor Darul Takzim.	Freehold land/	793,623/	December 2011 (A)/	6	Freehold	91,948
	Two-storey shopping centre with two-storey car park	911,842	November 2013 (C)			
Lot 31009, Mukim 15, Daerah Seberang Perai Tengah, Pulau Pinang.	Freehold land/	784,834/	August 2011 (A)/	5½	Freehold	136,087
	Three-storey shopping centre with rooftop and open car park	750,235	June 2014 (C)			
Lot 2437 Seksyen 13, Bandar Shah Alam, Daerah Petaling, Selangor Darul Ehsan.	Leasehold land/	818,273/	December 2012 (A)/	3¼	99 years expiring on 26/10/2103	245,421
	Three-storey shopping centre, entertainment hub with rooftop & basement car park	1,573,114	March 2016 (C)			
PTD 181046, Mukim Tebrau, Daerah Johor Bahru, Johor Darul Takzim.	Freehold land/	910,235/	December 2015 (A)/	2¼	Freehold	273,324
	Three-storey shopping centre, entertainment hub with rooftop & two-storey car park	1,294,639	September 2017 (C)			

Corporate Information And Directory

BOARD OF DIRECTORS

Datuk Iskandar bin Sarudin

Independent Non-Executive Chairman

Shafie bin Shamsuddin

Managing Director

Tsutomu Motomura

Deputy Managing Director

Datuk Syed Ahmad Helmy bin Syed Ahmad

Independent Non-Executive Director

Dato' Tunku Putra Badlishah Ibni Tunku Annuar

Independent Non-Executive Director

Abdul Rahim bin Abdul Hamid

Independent Non-Executive Director

Chong Swee Ying

Non-Independent Non-Executive Director

Soichi Okazaki

Non-Independent Non-Executive Director

SECRETARIES

Tai Yit Chan

(SSM PC No. 202008001023)
(MAICSA 7009143)

Tan Ai Ning

(SSM PC No. 202008000067)
(MAICSA 7015852)

REGISTERED OFFICE AND HEAD OFFICE

3rd Floor, AEON Taman Maluri
Shopping Centre
Jalan Jejaka, Taman Maluri
Cheras, 55100 Kuala Lumpur

Tel : 03-9207 2005
Fax : 03-9207 2006/2007

AUDITORS

KPMG PLT
(LLP0010081-LCA & AF 0758)
Chartered Accountants
Level 10, KPMG Tower
8, First Avenue, Bandar Utama
47800 Petaling Jaya

Tel : 03-7721 3388
Fax : 03-7721 3399

SHARE REGISTRAR

Tricor Investor & Issuing House
Services Sdn Bhd [Registration No.
197101000970(11324-H)]
Unit 32-01, Level 32, Tower A
Vertical Business Suite
Avenue 3, Bangsar South
No. 8, Jalan Kerinchi
59200 Kuala Lumpur

Tel : 03-2783 9299
Fax : 03-2783 9222

DATE OF INCORPORATION

15 September 1984

STOCK EXCHANGE LISTING

The Company is a public listed company, incorporated and domiciled in Malaysia and listed on the Main Market of the Bursa Malaysia Securities Berhad

Stock Name: AEON
Stock Code: 6599

PRINCIPAL BANKERS

- MUFG Bank (Malaysia) Berhad
[Registration No. 199401016638(302316-U)]
- Malayan Banking Berhad
[Registration No. 196001000142(3813-K)]
- CIMB Bank Berhad
[Registration No. 197201001799(13491-P)]
- Mizuho Bank (Malaysia) Berhad
[Registration No. 201001039768(923693-H)]
- RHB Bank Berhad
[Registration No. 201001039768(923693-H)]
- Sumitomo Mitsui Banking Corporation Malaysia Berhad
[Registration No. 201001042446(926374-U)]

CORPORATE CALENDAR

- **NOTICE OF ANNUAL GENERAL MEETING**
- **25 May 2021**

- **ANNUAL GENERAL MEETING**
- **23 June 2021**

- **PAYMENT OF DIVIDEND**
 - Book Closure - **15 July 2021**
 - Payment - **29 July 2021**

- **QUARTERLY RESULTS ANNOUNCEMENTS**
 - 1st Quarter **19 May 2021**
 - 2nd Quarter **27 August 2021**
 - 3rd Quarter **24 November 2021**
 - 4th Quarter **23 February 2022**

Our Locations

AEON MALLS AND AEON STORES

AEON STYLE TAMAN MALURI

Jalan Jejaka, Taman Maluri, Cheras
55100 Kuala Lumpur
Tel: 03-9285 5222

AEON TAMAN MALURI SHOPPING CENTRE

Tel: 03-9201 8688

AEON BANDAR UTAMA

Lot LG/G/F/S125, 1 Utama SC
No. 1, Leboh Bandar Utama
Bandar Utama, Damansara
47800 Petaling Jaya, Selangor
Tel: 03-7726 6266

AEON ALPHA ANGLE

Jalan R1, Seksyen 1
Bandar Baru Wangsa Maju
53300 Kuala Lumpur
Tel: 03-4149 7666/5288

AEON BANDAR BARU KLANG

Persiaran Bukit Raja 2
Bandar Baru Klang
41150 Klang, Selangor
Tel: 03-3343 9366

AEON MALL BUKIT RAJA

Tel: 03-3343 2166

AEON MID VALLEY

AT3 Mid Valley Megamall
Mid Valley City, Lingkaran Syed Putra
59200 Kuala Lumpur
Tel: 03-2284 4800

AEON BANDAR PUCHONG

Lot G40, IOI Mall, Batu 9
Jalan Puchong, Bandar Puchong Jaya
47100 Puchong, Selangor
Tel: 03-8070 1200

AEON METRO PRIMA

No. 1, Jalan Metro Prima
52100 Kepong, Kuala Lumpur
Tel: 03-6257 2121

AEON MALL METRO PRIMA

Tel: 03-6259 1122

AEON CHERAS SELATAN

Aras Mezzanine
Lebuh Tun Hussein Onn
43200 Balakong, Selangor
Tel: 03-9080 3018

AEON MALL CHERAS SELATAN

Tel: 03-9080 3498

AEON AU2 SETIAWANGSA

Ground Floor
No. 6, Jalan Taman Setiawangsa
(Jalan 37/56), AU2, Taman Keramat
54200 Kuala Lumpur
Tel: 03-4257 8840

AEON MALL AU2 SETIAWANGSA

Tel: 03-4257 2533

AEON TAMAN EQUINE

No. 2, Jalan Equine
Taman Equine, Bandar Putra Permai
43300 Seri Kembangan
Selangor
Tel: 03-8941 3700

AEON TAMAN EQUINE SHOPPING CENTRE

Tel: 03-8945 2700

AEON BANDAR SUNWAY

LG 1.111, Sunway Pyramid
No. 3, Jalan PJS 11/15, Bandar Sunway
46150 Petaling Jaya, Selangor
Tel: 03-5637 3720

AEON BUKIT TINGGI

No. 1, Persiaran Batu Nilam 1/KS 6
Bandar Bukit Tinggi 2
41200 Klang, Selangor
Tel: 03-3326 2330

AEON MALL BUKIT TINGGI

Tel: 03-3326 2370

AEON RAWANG

No. 1, Persiaran Anggun, Taman Anggun
48000 Rawang, Selangor
Tel: 03-6091 0671

AEON MALL RAWANG

Tel: 03-6092 0678

AEON SHAH ALAM

No. 1, Jalan Akuatik 13/64, Seksyen 13
40100 Shah Alam, Selangor
Tel: 03-5523 1383

AEON MALL SHAH ALAM

Tel: 03-5523 6131

AEON IPOH

No. 2, Jalan Teh Lean Swee
Off Jalan Sultan Azlan Shah Utara
31400 Ipoh, Perak
Tel: 05-549 9633

AEON MALL KINTA CITY

Tel: 05-548 4668

AEON IPOH STATION 18

No. 2, Susunan Stesen 18, Station 18
31650 Ipoh, Perak
Tel: 05-321 6748

AEON MALL IPOH STATION 18

Tel: 05-321 6807

AEON SERI MANJUNG

Pusat Perniagaan Manjung Point 3
32040 Seri Manjung, Perak
Tel: 05-687 0008

AEON MALL SERI MANJUNG

Tel: 05-687 0018

AEON TAIPING

Lot 8576 & 8577 Jalan Kamunting
34000 Taiping, Perak
Tel: 05-804 8722

AEON MALL TAIPING

Tel: 05-804 8711

AEON IPOH KLEBANG

Lot 12080, Klebang Perdana
31200 Chemor, Perak
Tel: 05-291 9225

AEON MALL IPOH KLEBANG

Tel: 05-291 9221

AEON IPOH FALIM

Lot G23A, G22 & G23, F22-F27
F28 & F29, AEON Midtown Falim
No. 1, Hala Falim 1
Taman Mas Jaya, Falim
30200 Ipoh, Perak
Tel: 05-281 7870

AEON QUEENSBAY

1F-61 Persiaran Bayan Indah
11900 Bayan Lepas
Pulau Pinang
Tel: 04-641 3822

AEON BUKIT MERTAJAM

No. 3393, Jalan Rozhan Alma
Seberang Perai Tengah
14000 Bukit Mertajam, Pulau Pinang
Tel: 04-530 7160

AEON MALL BUKIT MERTAJAM

Tel: 04-530 7625

AEON KOTA BHARU

Lembah Sireh,
15050 Kota Bharu, Kelantan
Tel: 09-740 5284

AEON MALL KOTA BHARU

Tel: 09-740 5859

AEON KUCHING CENTRAL

No 88, Lot 3458, Block 10 KCLD
93150 Kuching, Sarawak
Tel: 082-547 413

AEON MALL KUCHING CENTRAL

Tel: 082-521 936

AEON SEREMBAN 2

112, Persiaran S2 B1, Seremban 2
70300 Seremban
Negeri Sembilan
Tel: 06-601 5633

AEON MALL SEREMBAN 2

Tel: 06-601 5618

AEON NILAI

No. 2, Persiaran Pusat Bandar
Putra Point, Putra Nilai
71800 Nilai, Negeri Sembilan

AEON MALL NILAI

Tel: 06-790 4988

AEON MELAKA

Leboh Ayer Keroh
75450 Melaka
Tel: 06-232 4899

AEON MELAKA SHOPPING CENTRE

Tel: 06-233 2988

ADDITIONAL INFORMATION

Our Locations

AEON MALLS AND AEON STORES

AEON BANDARAYA MELAKA

No. 2, Jalan Lagenda
Taman 1-Lagenda
75400 Melaka
Tel: 06-282 9389

AEON MALL BANDARAYA MELAKA

Tel: 06-282 9666

AEON TAMAN UNIVERSITI

No. 4, Jalan Pendidikan
Taman Universiti,
81300 Skudai, Johor
Tel: 07-521 8000

AEON TAMAN UNIVERSITI SHOPPING CENTRE

Tel: 07-520 8700

AEON PERMAS JAYA

No. 1, Jalan Permas Utara, Bandar Baru Permas Jaya
81750 Johor Bahru, Johor
Tel: 07-386 8900

AEON PERMAS JAYA SHOPPING CENTRE

Tel: 07-386 0600

AEON TEBRAU CITY

No. 1, Jalan Desa Tebrau
Taman Desa Tebrau
81100 Johor Bahru, Johor
Tel: 07-351 1110

AEON MALL TEBRAU CITY

Tel: 07-352 2220

AEON BUKIT INDAH

No. 8, Jalan Indah 15/2
Bukit Indah
81200 Johor Bahru, Johor
Tel: 07-236 8036

AEON MALL BUKIT INDAH

Tel: 07-236 8071

AEON KULAIJAYA

PTD 106273, Persiaran Indahpura Utama
Bandar Indahpura
81000 Kulaijaya, Johor
Tel: 07-663 8373

AEON MALL KULAIJAYA

Tel: 07-663 7822

AEON BANDAR DATO' ONN

No. 3, Jalan Dato' Onn 3
Bandar Dato' Onn
81100 Johor Bahru, Johor
Tel: 07-361 4223

AEON MALL BANDAR DATO' ONN

Tel: 07-364 9913

AEON MAXVALU

AEON MAXVALU PALM MALL

No. 16 Ground Floor, Palm Mall
70200 Seremban, Negeri Sembilan

AEON MAXVALU DANGABAY

Lot No. G31, G32, G33, G34 & G38
Beletime Danga Bay Mall
Country Garden @ Danga Bay
80200 Johor Bahru

AEON MAXVALU DESA PARKCITY

Lot No. GF22, Ground Floor
The Waterfront @ Desa ParkCity
5, Persiaran Residen, Desa ParkCity
52200 Kuala Lumpur
Tel: 03-6280 7790

AEON MAXVALU SUNWAY VELOCITY

B-01 & B-02, Basement 1
Sunway Velocity Shopping Mall
Lot 892, Batu 2 1/2
Jalan Cheras
55100 Kuala Lumpur
Tel: 03-9202 8103

AEON MAXVALU SPHERE BANGSAR SOUTH

Unit LG-1A, Level LG, The Sphere
No. 1, Avenue 1, Bangsar South
No. 8, Jalan Kerinchi
59200 Kuala Lumpur
Tel: 03-2242 0890

AEON MAXVALU EVO BANGI

No. G-09, Ground Floor
Kompleks EVO
Jalan Pusat Bandar 2
43650 Bandar Baru Bangi
Selangor
Tel: 03-8922 9484

AEON MAXVALU SECTION 17 PETALING JAYA

L1-01, Level 1, Seventeen Mall
No. 998, Jalan 17/38, Seksyen 17
46400 Petaling Jaya, Selangor
Tel: 03-7622 6955

AEON MAXVALU SELAYANG MALL

Lot LG.45, Selayang Mall
Jalan SU9, Taman Selayang Utama
68100 Batu Caves, Selangor
Tel: 03-6127 8243

AEON MAXVALU UNITED POINT

AEON United Point store
Unit LG-3 Lower Ground Floor, The United Point
Pusat Perdagangan Berpadu
No. 10, Jalan Lang Emas
51200 Kuala Lumpur

AEON WELLNESS

AEON WELLNESS MIDVALLEY

AEON Mid Valley, Unit AT3 Mid Valley Megamall
Mid Valley City
Lingkaran Syed Putra
59200 Kuala Lumpur

AEON WELLNESS BANDAR UTAMA

Lot G125-W, AEON Bandar Utama
1 Utama Shopping Center
No. 1, Lebuhr Bandar Utama, Bandar Utama
47800 Petaling Jaya, Selangor

AEON WELLNESS TAMAN MALURI

GF, AEON Taman Maluri SC
Jalan Jejaka, Taman Maluri Cheras
55100 Kuala Lumpur

AEON WELLNESS TAMAN EQUINE

AEON Taman Equine SC, LG17
No. 2, Jalan Equine Taman Equine
Bandar Putra Permai
43300 Seri Kembangan, Selangor

AEON WELLNESS QUEENSBAY

AEON Queensbay, LG85 Queensbay Mall
100 Persiaran Bayan Indah
11900 Bayan Lepas Penang

AEON WELLNESS BANDAR SUNWAY

AEON Bandar Sunway, Lot LG.128-W Sunway Pyramid
No. 3, Jalan PJS 11/15 Bandar Sunway
46150 Petaling Jaya, Selangor

AEON WELLNESS BUKIT INDAH

AEON Bukit Indah Shopping Centre
Lot G12B, No. 8, Jalan Indah 15/2
Bukit Indah
81200 Johor Bahru, Johor

AEON WELLNESS PERMAS JAYA

AEON Permas Jaya, G9 AEON Permas Jaya
Shopping Centre, No 1 Jalan Permas Utara Bandar
Baru Permas Jaya
81750 Johor Bahru

AEON WELLNESS AU2

AEON Shopping Centre AU2, Setiawangsa Ground
Floor, No.6 Jalan Taman Setiawangsa
(Jalan 37/56), AU2, Taman Keramat
54200 Kuala Lumpur

AEON WELLNESS BUKIT TINGGI

AEON Bukit Tinggi Shopping Centre
GF No 1, Persiaran Batu Nilam 1/KS 6 Bandar
Bukit Tinggi 2
41200 Klang, Selangor
Tel: 03-3323 2730

AEON WELLNESS KULAIJAYA

AEON Kulaijaya, GF AEON Kulaijaya Shopping
Mall, Persiaran Indahpura Utama
Bandar Indahpura
81000 Kulaijaya, Johor

AEON WELLNESS BANDARAYA MELAKA

AEON Bandaraya Melaka, Lot G 93
No. 2, Jalan Legenda, Taman 1 - Legenda
75400 Melaka

Our Locations

AEON WELLNESS

AEON WELLNESS METRO PRIMA

Lot G49G, Ground Floor
AEON Metro Prima Shopping Centre
No. 1, Jalan Metro Prima Kepong
52100 Kuala Lumpur
Tel: 03-6250 1164

AEON WELLNESS BIG SUBANG

AEON BiG Subang Jaya
Lot G.12 No 3, Jalan SS16/1
47500 Subang Jaya, Selangor
Tel: 03-5621 0486

AEON WELLNESS BIG PENANG PRAI

AEON BiG Penang Prai
LOT F 2.29; F 2.30, AEON BiG Penang Prai
2929 Jalan Kelisa Emas 1, Seberang Jaya
13700 Perai, Penang

AEON WELLNESS BIG SECTION 23

AEON BiG Shopping Centre Section 23
Shah Alam, Lot No. G.15
Jalan Dividen, 23/6, Seksyen 23
40460 Shah Alam, Selangor

AEON WELLNESS IPOH STATION 18

IPS18, Lot G11, Ground Floor
AEON Ipoh Station 18 Shopping Centre
No. 2, Susuran Stesen 18, Station 18
31650 Ipoh, Perak

AEON WELLNESS ATRIA

C5 & 6, Concourse Floor, Atria Shopping Gallery
Atria Damansara, Jalan SS22/23
Damansara Jaya
47400 Petaling Jaya, Selangor

AEON WELLNESS BANDAR PUCHONG

Lot G40, IOI Mall Batu 9, Jln Puchong Bandar
Puchong Jaya
47100 Puchong Selangor

AEON WELLNESS BUKIT MERTAJAM

AEON MALL Bukit Mertajam
GF, AEON Mall Bukit Mertajam
Jalan Rozhan, Alma
14000, Bukit Mertajam, Pulau Pinang

AEON WELLNESS TAIPING

AEON Mall Taiping
Lot 8576 & 8577 Jalan Kamunting
34000 Taiping

AEON WELLNESS BIG WANGSA MAJU

AEON BiG Wangsa Maju, Lot F2.32
First Floor, AEON BiG Wangsa Maju Shopping
Centre
No. 6, Jalan 8/27A, Section 5, Wangsa Maju
53300 Kuala Lumpur

AEON WELLNESS ALPHA ANGLE

Lot G28, Ground Floor, AEON Wangsa Maju &
Alpha Angle, Bandar Baru Wangsa Maju
53300 Kuala Lumpur

AEON WELLNESS PUBLIKA

Lot 18 & 19, Level UG, Publika Shopping Gallery
Jalan Dutamas 1, Hartamas Heights
50480 Kuala Lumpur

AEON WELLNESS TAIPING MALL

Lot LG-17, LG-18, LG-19, & LG-20
Lower Ground Floor
Taiping Mall, Jalan Tupai
34000 Taiping, Perak

AEON WELLNESS INTERMARK

Lot C-08, Intermark Mall
The Intermark, 348 Jalan Tun Razak
50400 Kuala Lumpur

AEON WELLNESS AMAN CENTRAL

LG 16-17, LG3, No.1
Aman Central Lebuhraya Darul Aman
05100 Alor Setar, Kedah

AEON WELLNESS KINTA CITY

AEON Kinta City Shopping Centre
Lot G32, No 2, Jalan Teh Lean Swee
Off Jalan Sultan Azlan Shah Utara
31400 Ipoh, Perak

AEON WELLNESS BIG PUCHONG UTAMA

AEON BiG Shopping Centre, Puchong Utama
Lot G.01, Persiaran Puchong Utama
47100 Puchong, Selangor

AEON WELLNESS KLEBANG

AEON CO. (M) BHD.
1st Floor, Store Management Office
AEON Mall Ipoh Klebang,
Lot 12080, Klebang Perdana
31200 Chemor, Perak

AEON WELLNESS SUNWAY VELOCITY

AEON CO. (M) BHD, B-02, Basement 1
Sunway Velocity Shopping Mall
Lot 392 Batu 2 1/2, Jalan Cheras
55100 Kuala Lumpur

AEON WELLNESS SHAH ALAM

AEON CO. (M) BHD.
No. 1, Jalan Akuatik 13/64 Seksyen 13
40100 Shah Alam, Selangor

AEON WELLNESS KOTA BHARU

AEON CO. (M) BHD.
GF, AEON Mall Kota Bharu, Lembah Sireh
15050 Kota Bharu, Kelantan

AEON WELLNESS BURHANUDDIN HELMI TAMAN TUN DR ISMAIL

No. 126 Ground Floor
Jalan Burhanuddin Helmi
Taman Tun Dr. Ismail
60000 Kuala Lumpur

AEON WELLNESS CHERAS SELATAN

AEON CO. (M) BHD.
AEON Cheras Selatan Shopping Centre
Lot G23, Ground Floor, Lebuhr Tun Hussein Onn
43200 Balakong Selangor

AEON WELLNESS BANDAR DATO' ONN

AEON CO. (M) BHD.
Lot G-01, Ground Floor
AEON Mall Bandar Dato' Onn
No. 3, Jalan Dato' Onn 3, Bandar Dato' Onn
81100 Johor Bahru

AEON WELLNESS TASEK CENTRAL

AEON CO. (M) BHD., L1-08, 1-09 & 1-10
Level 1, Tasek Central, No. 2, Jalan Pendekar 16
81300 Skudai, Johor Bahru, Johor

AEON WELLNESS KL GATEWAY

AEON CO. (M) BHD., Lot UG-09 & UG-10 Pusat Beli
Belah KL Gateway
No.2, Jalan Kerinchi, Gerbang Kerinchi Lestari
59200 Kuala Lumpur

AEON WELLNESS TEBRAU CITY

AEON CO. (M) BHD., AEON Tebrau City Shopping
Centre, Lot F50 & F51, First Floor No 1, Jalan Desa
Tebrau Taman Desa Tebrau
81100 Johor Bahru Johor

AEON WELLNESS IPC SHOPPING CENTRE

LG1.17 & LG1.18, Lower Ground 1
IPC Shopping Centre
No. 2, Jalan PJU 7/2, Mutiara Damansara
47800 Petaling Jaya, Selangor

AEON WELLNESS EVO BANGI

G-09, Ground Floor, Kompleks EVO
Jalan Pusat Bandar 2
43650 Bandar Baru Bangi, Selangor

AEON WELLNESS THE SPHERE

Unit LG-1B, Level LG, The Sphere
No.1, Avenue 1, Bangsar South
No.8, Jalan Kerinchi
59200 Kuala Lumpur

AEON WELLNESS KUCHING CENTRAL

Lot G40 & 41, AEON Mall Kuching Central
No.88, Jalan Datuk Patinggi Haji Ahmad Zaidi
Adruce
93200 Kuching Sarawak

AEON WELLNESS BIG DANAU KOTA

AEON BiG Danau Kota
Lot G2, AEON BiG Danau Kota, Lot PT 9834 Jalan
Langkawi, Taman Danau Kota
Mukim Setapak
53300 Kuala Lumpur

AEON WELLNESS TAMAN UNIVERSITI

Lot UG01A, Upper Ground
AEON Taman Universiti SC
No 4, Jalan Pendidikan Taman Universiti
81300 Skudai, Johor Bahru

AEON WELLNESS SOUTHKEY MID VALLEY

Lot F-032 & 033, First Floor, The Southkey
Megamall, No.1, Persiaran Southkey 1 Southkey
80150 Johor Bahru, Johor

AEON WELLNESS KIARA 163

Lg1-15, Lower Ground Floor, 163 Retail Park
No.8, Jalan Kiara, Mont Kiara
50480 Kuala Lumpur

AEON WELLNESS SEGAMAT CENTRAL

Lot G13, G13A & G15, Ground Floor
Segamat Central, Jalan Kolam Air
85000 Segamat, Johor

Our Locations

AEON WELLNESS

AEON WELLNESS SEVENTEEN MALL

Lot L1-01A, Ground Floor, Seventeen Mall
Jalan 17/29, Section 17
46400 Petaling Jaya, Selangor

AEON WELLNESS THE SPRING

Lot 140, First Floor, The Spring Shopping Mall
Persiaran Spring
93300 Kuching, Sarawak

AEON WELLNESS KLUANG MALL

Lot No. 1-42A, 1-43 dan 1-43A
First Floor, Kluang Mall
Jalan Rambutan, Bandar Kluang
86000 Kluang, Johor

AEON WELLNESS NILAI

G-A01, Ground Floor
Pusat Beli-Belah AEON NILAI
No. 2, Persiaran Pusat Bandar
Putra Point, Putra Nilai
71800 Nilai, Negeri Sembilan

AEON WELLNESS KULIM CENTRAL

Lot 1F-25, First Floor, Kulim Central
No.1, Jalan KLC Satu(1)
09000 Kulim, Kedah

AEON WELLNESS R&F MALL

G-142 & G-143, Ground Floor, R&F Mall Jalan
Tanjung Puteri 1, R&F Tanjung Puteri
80300 Johor Bahru, Johor

AEON WELLNESS VIVACITY MALL

Lot L3-014, Level 3, Jalan Wan Alwi
93350, Kuching, Sarawak

AEON WELLNESS SARADISE KUCHING

Level 1 of Sublot 18
Block B1, Saradise Mall, Jalan Stutong
93350 Kuching

AEON WELLNESS BIG FALIM

Lot G43A, Ground Floor
No. 1, Hala Falim 1, Taman Mas Jaya, Falim
30200 Ipoh, Perak

AEON WELLNESS AMPANG POINT

Lot G06, Ground Floor, Ampang Point Centre
Jalan Mamanda 3
68000 Ampang, Selangor

AEON WELLNESS SOLARIS MONT'KIARA

No. 21, Ground Floor, Jalan Solaris 4
Solaris Mont Kiara, Off Jalan Duta Kiara
50480 Kuala Lumpur

AEON WELLNESS BELETIME DANGA BAY MALL

Lot G-35, Ground Floor
Beletime Danga Bay
Bay Point Persiaran Danga Perdana Country
Garden, Danga Bay
80200 Johor Bahru, Johor

AEON WELLNESS BANDAR INDERA MAHKOTA

TMG Mall Kuantan, Lot - A3
Ground Floor, TMG Mall, Jalan IM 7/14, Bandar
Indera Mahkota
25200 Kuantan, Pahang

AEON WELLNESS SELAYANG MALL

Lot LG.01 - 03, LG Floor, Selayang Mall
Jalan SU9, Tmn Selayang Utama
68100 Batu Caves, Selangor

AEON WELLNESS PALM MALL

Lot G-26 , 27 & 28
Level G, Palm Mall, Jalan Sungai Ujong
70200 Seremban, Negeri Sembilan

AEON WELLNESS WATERFRONT DPC

FF-28, The Waterfront@Parkcity
No. 5 Persiaran Residen, Desa Park City
52200 Kuala Lumpur

AEON WELLNESS TG. LUMPUR @ TMG MALL

Lot G-03 & Lot E, Level G
TMG Mall Tanjung Lumpur, NO.PT 124756
Jalan Bandar Putra 1A, Jalan Tanjung Lumpur
26060 Kuantan Pahang

DAISO

DAISO BANDARAYA MELAKA

Lot S33, Second Floor, AEON Bandaraya Melaka
Shopping Center, No 2, Jln Lagenda
75400 Melaka

DAISO QUEENSBAY

Lot 07 & 08, First Floor, North Zone Queensbay
Mall, Persiaran Bayan Indah
11900 Bayan Lepas, Pulau Pinang

DAISO BUKIT TINGGI

S59, 2nd Floor, AEON Bukit Tinggi Shopping
Center, 1, Persiaran Batu Nilam
1/KS 6, Bandar Bukit Tinggi 2
41200 Klang, Selangor

DAISO BANDAR UTAMA

Lower Ground, AEON 1 Utama Shopping Center,
No 1, Lebuhr Bandar
Utama, Bandar Utama Damansara
47800 Petaling Jaya, Selangor

DAISO RAWANG

F47 & F48, AEON Rawang Shopping Center No. 1
Persiaran Anggun, Taman Anggun
Kota Emerald
48000 Rawang, Selangor

DAISO TAMAN MALURI

Ground Floor, AEON Taman Maluri
Jalan Jejaka, Taman Maluri
55100 Cheras, Kuala Lumpur, Malaysia

DAISO IPOH STATION 18

Lot F28 & F29, AEON Ipoh Station 18 SC
No 2, Susuran Stesen 18, Station 18
31650 Ipoh, Perak

DAISO SERI MANJUNG

Lot F43, First Floor, AEON Seri Manjung SC Pusat
Perniagaan Manjung Point 3
32040 Seri Manjung, Perak

DAISO TAMAN EQUINE

Ground Floor AEON Taman Equine SC
No. 2, Jalan Equine, Taman Equine
Bandar Putra Permai
43300 Seri Kembangan, Selangor

DAISO CHERAS SELATAN

Lot F51, 1st Floor, AEON Cheras SC
Lebuh Tun Hussien Onn
43200 Balakong, Selangor

DAISO BUKIT RAJA

Lot F30A, First Floor, AEON Bukit Raja SC
Persiaran Bukit Raja 2, Bandar Baru Klang
41150 Klang, Selangor

DAISO METRO PRIMA

Lot G17-C, Ground Floor, AEON Metro Prima Store
& Shopping Centre, No 1
Jalan Metro Prima, Kepong
52100 Kuala Lumpur

Our Locations

DAISO

163 KIARA MALL

LG 2-01, LG2, 163 Retail Park
Jalan Kiara 1, Mont Kiara
50480 Kuala Lumpur

DAISO AU2

F06, First Floor, AEON AU2 SC
Jalan Taman Setiawangsa (Jalan 37/56)
AU2, Taman Keramat
54200 Kuala Lumpur

DAISO KULAIJAYA

F47, First Floor, AEON Mall Kulaijaya SC
PTD 106273, Persiaran Indahpura Utama
Bandar Indahpura
81000 Kulaijaya, Johor

DAISO PALM MALL

AEON Daiso Palm Mall, Lot L1-24 & 25
Level 1, Palm Mall, Jalan Sungai Ujong
70200 Seremban, Negeri Sembilan

DAISO TAIPING

Lot F09, 1st Floor, AEON Mall Taiping
Jalan Kamunting
34000 Taiping, Perak

DAISO MELAKA

F23 & 23A, First Floor, AEON Melaka SC
Leboh Ayer Keroh
75450 Melaka

DAISO BUKIT MERTAJAM

Lot S42, 2nd Floor, AEON Mall Bukit Mertajam
Jalan Rozhan, Taman Alma Jaya
Bukit Mertajam
14000 Pulau Pinang

DAISO DPULZE

Lot UG11, Upper Ground Floor, D'Pulze Shopping
Centre, Persiaran Multimedia
63000 Cyberjaya

DAISO @ AMAN SENTRAL

Lot 3-26, 3rd Floor, Aman Central Mall
Lebuhraya Darul Aman
05100 Alor Setar, Kedah

DAISO KINTA CITY

Lot F55, First Floor, AEON Mall Kinta City, 2 Jalan
Teh Lean Swee, Taman Ipoh Selantan
31400 Ipoh, Perak

DAISO KLEBANG

Lot S-22, Second Floor, AEON Mall Ipoh Klebang,
Lot 12050, Klebang Perdana
31200 Chemor, Perak

DAISO KOTA BHARU

Lot S01, Second Floor, AEON Mall Kota Bharu
Bandar Baru Lembah Sireh
Jalan Jambatan Sultan Yahya Petra
15050 Kota Bharu, Kelantan

DAISO SHAH ALAM

Lot F05, First Floor, AEON Mall Shah Alam No. 1
No.1, Jalan Akustik 13/64, Seksyen 13
40100 Shah Alam, Selangor

DAISO @ SETAPAK CENTRAL

Lot F19, 1st Floor, Setapak Central
Jalan Ibu Kota, Taman Danau Kota, Setapak
53300 Kuala Lumpur

DAISO VELOCITY

Lot 4-13, 4th Floor, Sunway Velocity Mall Batu 2
1/2, Jalan Cheras
55100 Kuala Lumpur

DAISO R&F MALL

2-005, 2nd Floor, Mercu 1
Jalan Tanjung Puteri 1
80300, Johor Bahru, Johor, Malaysia

DAISO TEBRAU CITY

Lot S112, Second Floor, AEON Mall Tebrau City
No 1, Jalan Desa Tebrau
Taman Desa Tebrau
81100, Johor Bharu, Johor

DAISO MYTOWN

Lot L3-019, 3rd Floor, Mytown Shopping Centre
Jalan Cochrane
55100 Kuala Lumpur

DAISO STARLING

Lot F-125, First Floor, The Starling Mall Jalan SS
21/37, Damansara Utama
47400 Petaling Jaya, Selangor

DAISO BANDAR DATO ONN

Lot F23, First Floor, AEON Mall Bandar Dato' Onn,
No. 3, Jalan Dato' Onn 3
Bandar Dato' Onn
81100 Johor Bahru

DAISO BANGI

Lot No. G.09 & SG.09, Ground Floor
Evo Mall, Seksyen 9, Bandar Baru Bangi
43650, Selangor

DAISO KUCHING CENTRAL

Lot S37, 2nd Floor, AEON Mall Kuching Central
No.88, Lot 3458, Block 10 KCLD
Jalan Tun Ahmad Zaidi Adruce
93150 Kuching, Sarawak

DAISO BUKIT INDAH

Lot S16, 2nd Floor
AEON Bukit Indah Shopping Centre
No.8, Jalan Indah 15/2 Bukit Indah
81200 Johor Bahru

DAISO TOPPEN

Lot L2.46, 2nd Floor, Toppen Shopping Centre
No. 33, Jalan Harmonium
Taman Desa Tebrau
81100 Johor Bahru, Johor

DAISO THE SPRING

Lot. No. 157B, 158 & 159, 1st Floor The Spring
Shopping Mall, 304 Persiaran
93300 Kuching, Sarawak

DAISO NILAI

Lot F41, 1st floor, AEON Mall Nilai, Pusat Beli
Belah AEON Nilai, No.2, Persiaran Pusat Bandar
Putra Point, Putra Nilai
71800 Nilai, Negeri Sembilan

DAISO @ EKO CHERAS

EkoCheras Mall, Lot S-68, Second Floor
No. 693, Batu 5, Jalan Cheras
56000 Kuala Lumpur

DAISO BELETIME

Lot G-63, Ground Floor, Beletime Danga Bay Mall
81100 Johor Bahru, Johor

DAISO KTCC

Lot No.: 2-09, 2-10 & 2-11, KTCC Mall
2nd Floor, Jalan Sultan Zainal Abidin
20200 Kuala Terengganu, Terengganu

DAISO @ TROPICANA GARDENS MALL

1F-19&20, First Floor-West Walk
Tropicana Gardens Mall
No. 2A, Persiaran Surian, Tropicana Indah
47810 Petaling Jaya, Selangor

KOMAI-SO

AEON TAMAN MALURI

Lot F31 & F32, AEON Taman Maluri Shopping
Centre (1st Floor)
Jalan Jejaka, Taman Maluri
Cheras, 55100 Kuala Lumpur

AEON BANDARAYA MELAKA

Lot F01-F07, First Floor, AEON Bandaraya Melaka
No. 2, Jalan Lagenda, Taman 1-Lagenda
75400 Melaka

AEON METRO PRIMA

Lot G38, Ground Floor, AEON Mall Metro Prima
1, Jalan Metro Prima, Taman Kepong
52100 Kuala Lumpur

AEON CHERAS SELATAN

Lot G23, Ground Floor, AEON Mall Cheras Selatan
Jalan Cheras Perdana
Cheras, 43200 Kuala Lumpur

Our Milestones

1984

SEPTEMBER

- JAYA JUSCO STORES SDN. BHD. was established, in response to a request from (then) Prime Minister, YAB Dato' Sri Dr. Mahathir bin Mohamad, to help modernise the retailing industry in Malaysia.

1985

JUNE

- The first pilot store, JAYA JUSCO Dayabumi, opened.

DECEMBER

- The second pilot store, JAYA JUSCO Taman Tun Dr. Ismail, opened.

1989

JUNE

- JAYA JUSCO Dayabumi closed.

OCTOBER

- The first Superstore, JAYA JUSCO Taman Maluri, opened.

1990

JUNE

- Japan Management Training Programme began.

NOVEMBER

- 28 Malaysian students were invited to Japan as 'Ambassadors' through the AEON 1% Club Programme.

1991

OCTOBER

- JUSCO Melaka was opened and fully operated by Malaysian employees.
- The AEON Group's 'Hometown Forest' Programme was launched simultaneously at the inauguration of JUSCO Melaka.

1992

APRIL

- JUSCO Wangsa Maju (Alpha Angle Shopping Centre), the first Shopping Centre, opened.

1994

AUGUST

- The Distribution Centre began operations.

OCTOBER

- Japan Trainee Programme began.

1995

JUNE

- JAYA JUSCO Taman Tun Dr. Ismail closed.

AUGUST

- JUSCO Bandar Utama (1 Utama Shopping Centre) opened.

OCTOBER

- JUSCO Bandar Baru Klang (Bukit Raja Shopping Centre) opened.

1996

DECEMBER

- JAYA JUSCO STORES BHD was listed on the Main Board of the Kuala Lumpur Stock Exchange (KLSE).

1997

AUGUST

- JUSCO Ipoh (Kinta City Shopping Centre) opened.

1998

DECEMBER

- JUSCO Melaka Superstore was upgraded to a Shopping Centre.

1999

DECEMBER

- JUSCO Mid Valley opened.

2000

DECEMBER

- JUSCO Taman Maluri Superstore was upgraded to a Shopping Centre.
- JUSCO Bandar Puchong opened.

2001

FEBRUARY

- Completed Rights Issue on the basis of one new Ordinary Share for every two existing Ordinary Shares held.

OCTOBER

- Launch of WAOH Charity Fund/JUSCO Fest/JUSCO's 17th Anniversary.

NOVEMBER

- 22 Malaysian students and 2 former participants from the 1990 batch were invited to Japan as 'Ambassadors' through the AEON 1% Club Programme.

2002

APRIL

- Establishment of JUSCO-OUM Retail Centre in Alpha Angle Shopping Centre, Wangsa Maju.

JULY

- JUSCO Taman Universiti (JUSCO Taman Universiti Shopping Centre) opened.
- Japan Management Training Programme reactivated.

2003

JULY

- WAOH Charity Bazaar.

AUGUST

- Smart Wonder World opened in JUSCO Taman Maluri.

OCTOBER

- JUSCO Home Centre opened in 1 Utama Shopping Centre.

DECEMBER

- 3,000 saplings were planted in the vicinity of the JUSCO Permas Jaya store as part of AEON's environmental campaign, 'Planting Seeds of Growth'.
- JUSCO Permas Jaya (JUSCO Permas Jaya Shopping Centre) opened.

2004

JANUARY

- JUSCO Metro Prima Tree Planting Ceremony held. 2,000 saplings were planted.
- JUSCO Metro Prima (JUSCO Metro Prima Shopping Centre) opened.

JUNE

- 'With All Our Hearts' Charity Fund was officially registered as the 'With All Our Hearts' Malaysian JUSCO Foundation.

AUGUST

- Company authorised share capital increased from RM100 million to RM500 million.

SEPTEMBER

- JAYA JUSCO STORES BHD officially changed name to AEON CO. (M) BHD.
- JUSCO celebrated 20th Anniversary in Malaysia with Gala Dinner.
- Official launch of 'With All Our Hearts' Malaysian JUSCO Foundation.
- 30,000 saplings were planted in the Malaysian-Japan Friendship Forest, AEON Woodland, Paya Indah Wetlands.

OCTOBER

- Completed Bonus Issue (1:1) for 87,750,000 new Ordinary Shares.

1980

1990

2000

Our Milestones

2005

MARCH

- AEON CO. (M) BHD. received a certificate of appreciation from the former Prime Minister Y.A. Bhg. Tun Dr Mahathir bin Mohamad for its tree planting activities.

JULY

- The 1st Annual WAOH Charity Gala Dinner was held.

SEPTEMBER

- JUSCO Seremban 2 Shopping Centre Tree Planting Ceremony was held. 3,300 saplings were planted.
- JUSCO Seremban 2 (JUSCO Seremban 2 Shopping Centre) opened.

OCTOBER

- The first Pasar Raya J-One Supermarket in Damansara Damai opened.

DECEMBER

- AEON Tebrau City Shopping Centre Tree Planting Ceremony held. 6,000 saplings were planted.

2006

JANUARY

- JUSCO Tebrau City (AEON Tebrau City Shopping Centre) opened.

APRIL

- Change of financial year end from February to December.

JUNE

- AEON Taman Equine Shopping Centre Tree Planting Ceremony held. 4,000 saplings were planted.

JULY

- JUSCO Taman Equine (AEON Taman Equine Shopping Centre) opened.
- Pasar Raya J-One Supermarket in Pearl Point opened.

SEPTEMBER

- Completion of Kinta City Shopping Centre sales and lease back.

NOVEMBER

- AEON Cheras Selatan Shopping Centre Tree Planting Ceremony held. 4,000 saplings were planted.

DECEMBER

- JUSCO Queensbay opened.
- JUSCO Cheras Selatan (AEON Cheras Selatan Shopping Centre) opened.

2007

JANUARY

- Pasar Raya J-One change of name ceremony (From J-One to D'HATI) held at Pearl Point Shopping Mall.

JUNE

- Replanting of trees at AEON Woodland.

SEPTEMBER

- Pasar Raya D'HATI Kota Kemuning opened.
- JUSCO Bandar Sunway opened.

OCTOBER

- AEON Bukit Tinggi Shopping Centre Tree Planting Ceremony held. 5,085 saplings were planted.

DECEMBER

- Pasar Raya MaxValu Desa ParkCity and Pasar Raya MaxValu Ampang opened.
- JUSCO Bukit Tinggi (AEON Bukit Tinggi Shopping Centre) opened.

2008

JUNE

- Completed Bonus Issue (1:1) for 175,500,000 new Ordinary Shares.

JULY

- AEON Careline was launched.
- AEON Seberang Prai City Shopping Centre Tree Planting Ceremony held. 3,500 saplings were planted.

AUGUST

- JUSCO Seberang Prai City (AEON Seberang Prai City Shopping Centre) opened.
- Taman Asuhan Kanak-Kanak Asahi (TAKA) at Bandar Puchong Jaya opened.

OCTOBER

- 24th Anniversary Tree Planting at AEON Woodland. 2,400 saplings were planted.

NOVEMBER

- AEON AU2 Setiawangsa Shopping Centre Tree Planting Ceremony held. 4,600 saplings were planted.

DECEMBER

- JUSCO AU2 Setiawangsa (AEON AU2 Setiawangsa Shopping Centre) opened.
- AEON Bukit Indah Shopping Centre Tree Planting Ceremony held. 3,000 saplings were planted.
- JUSCO Bukit Indah (AEON Bukit Indah Shopping Centre) opened.

2009

JUNE

- Pasar Raya MaxValu Pearl Point closed.

OCTOBER

- 25th Anniversary Tree Planting Ceremony at AEON Woodland. 25,000 saplings were planted.

NOVEMBER

- AEON Bandaraya Melaka Shopping Centre Tree Planting Ceremony held. 2,000 saplings were planted.

2010

JANUARY

- 'With All Our Hearts' Malaysian JUSCO Foundation changed name to Malaysian AEON Foundation.

FEBRUARY

- JUSCO Bandaraya Melaka (AEON Bandaraya Melaka Shopping Centre) opened.

MARCH

- AEON Mahkota Cheras Tree Planting Ceremony held. 3,000 saplings were planted.

APRIL

- JUSCO Mahkota Cheras (AEON Mahkota Cheras Shopping Centre) opened.

2011

AUGUST

- JUSCO Bandar Utama reopened.

DECEMBER

- AEON Rawang Anggun Shopping Centre Tree Planting Ceremony held. 3,500 saplings were planted.
- JUSCO Rawang (AEON Anggun Rawang Shopping Centre) opened.
- Disposal of Smart Wonder World (SWW) amusement business completed.

2012

FEBRUARY

- AEON Ipoh Station 18 Shopping Centre Tree Planting Ceremony held. 3,500 saplings were planted.

MARCH

- AEON unveiled the new brand name 'AEON' and tagline 'AEON Enriching Your Lifestyle'.
- J Card rebranded to AEON Member Card.
- AEON Ipoh Station 18 (AEON Ipoh Station 18 Shopping Centre) opened.

MAY

- Launch of first AEON Festival in conjunction with new AEON branding.
- Launch of AEON Malaysia Cheers Club.

NOVEMBER

- AEON Seri Manjung Shopping Centre Tree Planting Ceremony held. 3,000 saplings were planted.

DECEMBER

- AEON Seri Manjung (AEON Seri Manjung Shopping Centre) opened.

2013

SEPTEMBER

- Launch of AEON Business Academy.

OCTOBER

- AEON Mall Kulaijaya Tree Planting Ceremony held. 9,025 saplings were planted.

NOVEMBER

- AEON Kulaijaya (AEON Mall Kulaijaya) opened.

Our Milestones

2014

MARCH

- Pasar Raya MaxValu Kota Kemuning closed.

MAY

- AEON Mall Bukit Mertajam Tree Planting Ceremony held. 8,461 saplings were planted.
- AEON Seberang Prai City Shopping Centre closed.

JUNE

- Authorised share capital increased from RM500 million to RM1 billion.
- Completed Bonus Issue (1:1) for 351,000,000 new Ordinary Shares and Share Split from RM1.00 per share to RM0.50 per share.
- AEON Bukit Mertajam (AEON Mall Bukit Mertajam) opened.
- Disposal of 18.18% undivided share of the land, building and structure of AEON Taman Universiti Shopping Centre ('J - Reit' Share) completed.

SEPTEMBER

- 'Forest Tree Diversity Planting' Programme at FRIM research station in Bidor, Perak held in conjunction with 30th Anniversary Tree Planting. 8,000 saplings planted.

OCTOBER

- AEON Mall Taiping Tree Planting Ceremony held. 6,000 saplings were planted.
- AEON @ Quill City Mall opened.

NOVEMBER

- AEON Taiping (AEON Mall Taiping) opened.
- AEON Index Living Mall opened the first store at IOI City Mall Putrajaya.

DECEMBER

- Pasaraya MaxValu @ Gamuda Walk Kota Kemuning opened.

2015

APRIL

- Launch of AEON Mall rebranding.

SEPTEMBER

- AEON Mall Ipoh Klebang Tree Planting Ceremony held. 13,000 saplings were planted.

OCTOBER

- AEON Food Processing Centre opened.
- AEON Ipoh Klebang (AEON Mall Ipoh Klebang) opened.

NOVEMBER

- Launch of www.shoppu.com.my.

2016

JANUARY

- AEON Mall Shah Alam Tree Planting Ceremony held. 13,048 saplings were planted.

MARCH

- AEON Shah Alam (AEON Mall Shah Alam) opened.
- AEON Index Living Mall opened in AEON Mall Shah Alam.
- AEON Mall Kota Bharu Tree Planting Ceremony held. 13,000 saplings were planted.

APRIL

- AEON Kota Bharu (AEON Mall Kota Bharu) opened.
- AEON Index Living Mall opened in AEON Mall Kota Bharu.
- Pasaraya MaxValu Damansara Damai closed.

SEPTEMBER

- AEON Ipoh Falim opened.

OCTOBER

- Pasaraya MaxValu Ampang closed.

DECEMBER

- AEON MaxValu Prime Sunway Velocity opened.

2017

MARCH

- Rocky BaseCamp opened in AEON Mall Shah Alam.
- AEON Index Living Mall opened in AEON Mall Tebrau City.

AUGUST

- AEON Mall Bandar Dato' Onn Tree Planting Ceremony held. 10,075 saplings were planted.

SEPTEMBER

- AEON Bandar Dato' Onn (AEON Mall Bandar Dato' Onn) opened.

OCTOBER

- Rocky BaseCamp opened in AEON Mall Tebrau City.

DECEMBER

- Index Living Mall Malaysia Sdn. Bhd. (formerly known as AEON Index Living Sdn. Bhd.) became an associate after shareholding restructuring.

2018

JANUARY

- Launch of online delivery services with Honestbee.
- AEON MaxValu Prime Evo Bangi opened.

FEBRUARY

- AEON MaxValu Prime Sphere Bangsar South opened.

MARCH

- AEON Mall Kuching Central Tree Planting Ceremony held. 500 saplings were planted.

APRIL

- AEON Kuching Central (AEON Mall Kuching Central) opened.

OCTOBER

- Air On Park opened in AEON Mall Shah Alam.
- AEON Quill City remodelled. Index Living Mall Malaysia Sdn. Bhd. ceased operation.

NOVEMBER

- AEON Mall Nilai Tree Planting Ceremony held. 10,000 saplings were planted.
- AEON MaxValu Prime Section 17 Petaling Jaya opened.

2019

JANUARY

- AEON Nilai (AEON Mall Nilai) opened.

MAY

- AEON Bandar Utama General Merchandise Store reopened.

AUGUST

- AEON Taman Maluri Supermarket reopened.

SEPTEMBER

- 35th Anniversary Tree Planting programme in Bidor, Perak. 10,000 saplings were planted.

OCTOBER

- AEON Palm Mall, Seremban opened.

NOVEMBER

- AEON MaxValu Prime Selayang Mall, Kuala Lumpur opened.
- AEON MaxValu Prime Desa ParkCity, Kuala Lumpur reopened.
- AEON Style General Merchandise store and Taman Maluri Shopping Centre reopened.

DECEMBER

- AEON Danga Bay, Johor Bahru opened.

2020

MARCH

- Launch of AEON Drive Thru Platform & AEON Personal Shopper.

APRIL

- Launch of AEON Home Delivery.

MAY

- Berkat Ramadan Campaign. Target RM1 million chicken sales. Raised RM1.4 million.

JUNE

- Pilot of AEON Online 626 Market Place.

AUGUST

- Launch of AEON Rider.
- Launch of AEON Employee platform.

SEPTEMBER

- Kita Merdeka Telemovie and Ayuh Kita Merdeka song.

OCTOBER

- Launch of fresh. myaeon.com.my.

NOVEMBER

- Mak Cun Anjung Orang Kita Telemovie.
- Launch of myaeon-sg.com.
- Launch of A2B portal.
- Launch of Business Enabler Solution POS.

DECEMBER

- Daiso Kuala Terengganu City Centre opened.
- Launch of MyAEON super apps.

Notice Of Annual General Meeting

Notice is hereby given that the Thirty-Seventh Annual General Meeting ("37th AGM") of AEON CO. (M) BHD. will be conducted virtually for the purpose of considering and if thought fit, passing with or without modifications the resolutions setting out in this notice.

Meeting Platform	:	TIIH Online website at https://tiih.online
Day and Date	:	Thursday, 19 May 2022
Time	:	10:00 a.m.
Broadcast Venue	:	Tricor Business Centre, Gemilang Room, Unit 29-01, Level 29, Tower A, Vertical Business Suite Avenue 3, Bangsar South, No. 8 Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan
Mode of Communication	:	Shareholders may submit questions to the Board of Directors prior to the 37 th AGM via Tricor's TIIH Online website at https://tiih.online by selecting "e-Services" to login, pose questions and submit electronically not later than 10.00 a.m. on Tuesday, 17 May 2022 or to use the query box to transmit questions to Board of Directors via Remote Participation and Voting ("RPV") facilities during live streaming.

AGENDA

As Ordinary Business

1. To receive the Audited Financial Statements for the financial year ended 31 December 2021 together with the Reports of the Directors and Auditors thereon. *(Please refer to Note 1 of the Explanatory Notes)*
2. To declare and approve the payment of a final dividend of 3.0 sen per ordinary share in respect of the financial year ended 31 December 2021. *Ordinary Resolution 1*
3. To approve the payment of the Directors' fees of the following Directors for the financial year ended 31 December 2021:
 - (i) Datuk Iskandar bin Sarudin *Ordinary Resolution 2*
 - (ii) Encik Shafie bin Shamsuddin *Ordinary Resolution 3*
 - (iii) Mr Tsutomu Motomura *Ordinary Resolution 4*
 - (iv) Datuk Syed Ahmad Helmy bin Syed Ahmad *Ordinary Resolution 5*
 - (v) Dato' Tunku Putra Badlishah Ibni Tunku Annuar *Ordinary Resolution 6*
 - (vi) Encik Abdul Rahim bin Abdul Hamid *Ordinary Resolution 7*
 - (vii) Ms Chong Swee Ying *Ordinary Resolution 8*
 - (viii) Mr Soichi Okazaki *Ordinary Resolution 9*
 - (ix) Mr Hiroyuki Kotera *Ordinary Resolution 10*
4. To approve the benefits payable to the Director of up to RM150,000 from the date of the forthcoming Annual General Meeting until the conclusion of the next Annual General Meeting of the Company *Ordinary Resolution 11*

Notice Of Annual General Meeting

- | | |
|---|-------------------------------|
| 5. To re-elect the following Directors who are retiring under Article 74 of the Articles of Association of the Company: | |
| (i) Datuk Iskandar bin Sarudin | <i>Ordinary Resolution 12</i> |
| (ii) Encik Shafie bin Shamsuddin | <i>Ordinary Resolution 13</i> |
| (iii) Mr Tsutomu Motomura | <i>Ordinary Resolution 14</i> |
| (iv) Datuk Syed Ahmad Helmy bin Syed Ahmad | <i>Ordinary Resolution 15</i> |
| (v) Dato' Tunku Putra Badlishah Ibni Tunku Annuar | <i>Ordinary Resolution 16</i> |
| (vi) Encik Abdul Rahim bin Abdul Hamid | <i>Ordinary Resolution 17</i> |
| (vii) Ms Chong Swee Ying | <i>Ordinary Resolution 18</i> |
| (viii) Mr Soichi Okazaki | <i>Ordinary Resolution 19</i> |
| 6. To re-appoint Messrs KPMG PLT as Auditors of the Company and to authorise the Directors to fix their remuneration. | <i>Ordinary Resolution 20</i> |

As Special Business

To consider and, if thought fit, to pass the following resolution:

7. 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 ("PROPOSED SHAREHOLDERS' MANDATE")

"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 2.3 of the Circular to Shareholders dated 27 April 2022 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

Notice Of Annual General Meeting

(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."

Ordinary Resolution 21

8. CONTINUING IN OFFICE AS AN INDEPENDENT NON-EXECUTIVE DIRECTOR - DATO' TUNKU PUTRA BADLISHAH IBNI TUNKU ANNUAR

"THAT the authority be and is hereby given to Dato' Tunku Putra Badlishah Ibni Tunku Annuar, who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years, to continue to act as an Independent Non-Executive Director of the Company."

Ordinary Resolution 22

9. CONTINUING IN OFFICE AS AN INDEPENDENT NON-EXECUTIVE DIRECTOR - DATUK SYED AHMAD HELMY BIN SYED AHMAD

"THAT the authority be and is hereby given to Datuk Syed Ahmad Helmy bin Syed Ahmad, who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years, to continue to act as an Independent Non-Executive Director of the Company."

Ordinary Resolution 23

10. CONTINUING IN OFFICE AS AN INDEPENDENT NON-EXECUTIVE DIRECTOR - ENCIK ABDUL RAHIM BIN ABDUL HAMID

"THAT the authority be and is hereby given to Encik Abdul Rahim bin Abdul Hamid, who will be serving as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years from 16 August 2022 onwards, to continue to act as an Independent Non-Executive Director of the Company."

Ordinary Resolution 24

NOTICE OF DIVIDEND PAYMENT

NOTICE IS HEREBY GIVEN THAT, subject to the approval of shareholders at the Thirty-Seventh Annual General Meeting, a final dividend of 3.0 sen per ordinary share in respect of the financial year ended 31 December 2021 will be paid to shareholders on 20 June 2022. The entitlement date for the said dividend shall be 31 May 2022.

A Depositor shall qualify for entitlement to the Dividend only in respect of:

- (a) Shares transferred to the Depositor's securities account before 4.30 p.m. on 31 May 2022 in respect of transfers.
- (b) Shares bought on Bursa Malaysia Securities Berhad on cum entitlement basis according to the Rules of Bursa Malaysia Securities Berhad.

BY ORDER OF THE BOARD

TAI YIT CHAN (SSM PC NO. 202008001023) (MAICSA 7009143)

TAN AI NING (SSM PC NO. 202008000067) (MAICSA 7015852)

Company Secretaries

Date: 27 April 2022

Notice Of Annual General Meeting

NOTES:

1. As a precautionary measure amid the COVID-19 outbreak, the 37th AGM will be conducted virtually through live streaming and online remote voting via Remote Participation and Voting ("RPV") facilities which are available on Tricor Investor & Issuing House Services Sdn Bhd's TIH Online website at <https://tiih.online>. Please follow the procedures provided in the Administrative Details for the 37th AGM in order to register, participate and vote remotely via the RPV facilities.
2. The venue of the 37th AGM is strictly for the purpose of complying with Section 327(2) of the Companies Act 2016 which requires the Chairman of the Meeting to be at the main venue. No shareholders/proxy(ies) from the public will be physically present at the Broadcast venue.
3. A member of the Company entitled to participate and vote at the meeting is entitled to appoint not more than two (2) proxies to participate and vote in his stead. The members may submit questions to the Board of Directors at <https://tiih.online> prior to the 37th AGM or use the query box to transmit questions to Board of Directors via RPV facilities during live streaming. A proxy may but need not be a member of the Company.
4. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he/she specifies the proportions of his/her shareholdings to be represented by each proxy.
5. Where a member is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account") as defined under the Securities Industry (Central Depositories) Act, 1991, there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
6. A member who has appointed a proxy or attorney or authorised representative to attend, participate, speak (in the form of real time submission of typed texts) and vote at this Annual General Meeting via RPV must request his/her proxy to register himself/herself for RPV at TIH Online website at <https://tiih.online>. Please follow the Procedures for RPV in the Administrative Details for the 37th AGM.
7. The appointment of a proxy may be made in a hard copy form or by electronic means in the following manner and must be received by the Company not less than forty-eight (48) hours before the time appointed for holding the AGM or adjourned general meeting at which the person named in the appointment proposes to vote:
 - (i) In hard copy form

In the case of an appointment made in hard copy form, the proxy form must be deposited with the Share Registrar of the Company at Tricor Investor & Issuing House Services Sdn. Bhd., Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia.
 - (ii) By electronic form

The proxy form can be electronically lodged with the Share Registrar of the Company via TIH Online at <https://tiih.online>. Kindly refer to the Administrative Details on the procedures for electronic lodgement of proxy form via TIH Online.
8. Please ensure ALL the particulars as required in the proxy form are completed, signed and dated accordingly.
9. Last date and time for lodging the proxy form is Tuesday, **17 May 2022 at 10:00 a.m.**
10. Any authority pursuant to which such an appointment is made by a power of attorney must be deposited with the Share Registrar of the Company at Tricor Investor & Issuing House Services Sdn. Bhd., Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia not less than forty-eight (48) hours before the time appointed for holding the AGM or adjourned general meeting at which the person named in the appointment proposes to vote. A copy of the power of attorney may be accepted provided that it is certified notarially and/or in accordance with the applicable legal requirements in the relevant jurisdiction in which it is executed.
11. For a corporate member who has appointed a representative, please deposit the ORIGINAL certificate of appointment with the Share Registrar of the Company at Tricor Investor & Issuing House Services Sdn. Bhd., Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia. The certificate of appointment should be executed in the following manner:
 - (i) If the corporate member has a common seal, the certificate of appointment should be executed under seal in accordance with the constitution of the corporate member.
 - (ii) If the corporate member does not have a common seal, the certificate of appointment should be affixed with the rubber stamp of the corporate member (if any) and executed by:
 - (a) at least two (2) authorised officers, of whom one shall be a director; or
 - (b) any director and/or authorised officers in accordance with the laws of the country under which the corporate member is incorporated.
12. In respect of deposited securities, only members whose names appear on the Record of Depositors on 11 May 2022 (General Meeting Record of Depositors) shall be eligible to attend the meeting or appoint proxy(ies) to attend, speak and/or vote on his/her behalf.

EXPLANATORY NOTE:

1. To receive the Audited Financial Statements

Agenda item no. 1 is meant for discussion only as the provision of Section 340 of the Companies Act, 2016 does not require a formal approval of shareholders for the Audited Financial Statements. Hence, this item on the Agenda is not put forward for voting.

Notice Of Annual General Meeting

2. To approve the Directors' fees and benefit payable to the Director of the Company

Directors' Fees

Section 230(1) of the Companies Act 2016 provides, amongst others, that the fees of the directors and any benefits payable to the directors of a listed company and its subsidiaries shall be approved at a general meeting. In this respect, the Board had recommended to the shareholders payment of the following Directors' fees for approval at the 37th AGM:

Name of Director	Proposed fees (RM)
Datuk Iskandar bin Sarudin	180,000
Encik Shafie bin Shamsuddin	180,000
Mr Tsutomu Motomura	85,068
Datuk Syed Ahmad Helmy bin Syed Ahmad	121,891
Dato' Tunku Putra Badlishah Ibni Tunku Annuar	124,329
Encik Abdul Rahim bin Abdul Hamid	128,110
Ms Chong Swee Ying	90,000
Mr Soichi Okazaki	90,000
Mr Hiroyuki Kotera (resigned on 21 January 2021)	5,178
Total	1,004,576

Director's benefit

The Director's benefit of up to RM150,000 comprise of allowance and other emoluments payable to the Director which includes the housing allowance payable to the Managing Director.

The Nomination and Remuneration Committee ("NRC") had reviewed the Directors' fees and benefit payable to the Director and had recommended the above Directors' fees and benefit payable to the Director to the Board for consideration. The Board had agreed with NRC's recommendation and is in the view that the Directors' fees and benefit payable to the Director provided are competitive and at par with prevalent market rate.

3. Explanatory Note on the Special Business

Ordinary Resolution 21 on the Proposed Shareholders' Mandate

The Ordinary Resolution 21 proposed, if passed, will empower the Directors from the date of the Thirty-Seventh Annual General Meeting, to deal with the related party transactions involving recurrent transactions of a revenue or trading nature which are necessary for the Company's day-to-day operations. These recurrent related party transactions are in the ordinary course of business and are on terms not more favourable to the related parties than those generally available to the public and not to the detriment of the minority shareholders. This authority unless revoked or varied at a general meeting, will expire at the next Annual General Meeting of the Company and subject always to provision (ii) of the resolution. The details of the recurrent related party transactions are set out in the Circular to the Shareholders dated 27 April 2022, which is dispatched together with this Annual Report.

Ordinary Resolutions 22, 23 and 24 on the Continuing in Office as an Independent Non-Executive Director

The proposed Resolutions 22, 23 and 24 are to seek shareholders' approval on the retention of Dato' Tunku Putra Badlishah Ibni Tunku Annuar and Datuk Syed Ahmad Helmy bin Syed Ahmad, who have served as Independent Director in the Company for more than nine (9) years and Encik Abdul Rahim bin Abdul Hamid, who will be serving as Independent Director in the Company for more than nine (9) years from 16 August 2022 onwards.

The Board has assessed the independence of Dato' Tunku Putra Badlishah Ibni Tunku Annuar, Datuk Syed Ahmad Helmy bin Syed Ahmad and Encik Abdul Rahim bin Abdul Hamid and recommended them to continue to act as Independent Non-Executive Directors of the Company based on the following justifications:-

- They fulfilled the criteria under the definition of Independent Directors as stated in the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, and thus, they would be able to provide check and balance and bring an element of objectivity to the Board;
- They are familiar with the Company's business operations and are able to advise the Board diligently on business matters;
- They were not appointed by any controlling shareholder and hence the issue on special relationship with or loyalty to any controlling shareholder does not arise;
- They have devoted sufficient time and attention to their professional obligations for informed and balanced decision making by actively participating in board discussions and provided independent voices to the Board;
- They have exercised due care during their tenure as Independent Non-Executive Directors of the Company and carried out their professional duties in the best interest of the Company and shareholders; and
- In view of the transformation program in the Company, the Board recommends for the continuity in Independent Directors to oversee the program.

The Board considered Dato' Tunku Putra Badlishah Ibni Tunku Annuar, Datuk Syed Ahmad Helmy bin Syed Ahmad and Encik Abdul Rahim bin Abdul Hamid to be independent based on the above justifications and recommended them to be retained as Independent Non-Executive Directors of the Company.

PERSONAL DATA POLICY

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Annual General Meeting and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the Annual General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Annual General Meeting (including any adjournment thereof) and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

Administrative Details

For The 37th Annual General Meeting (37th AGM)

AEON CO. (M) BHD.

Date & Time	: Thursday, 19 May 2022, 10.00 a.m.
Broadcast Venue	: Tricor Business Centre, Gemilang Room, Unit 29-01, Level 29, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi 59200 Kuala Lumpur.
Online Meeting Platform	: TIIH Online website at https://tiih.online

The Broadcast venue is strictly for the purpose of complying with Section 327 (2) of the Companies Act, 2016 ("CA 2016") which stipulates that the Chairman shall be at the main venue of the 37th AGM. Hence, **NO SHAREHOLDERS/PROXIES** from the public will be physically present at the venue on the day of the 37th AGM. Shareholders will have to register to attend the 37th AGM remotely by using the RPV system, details as set out in the Administrative Details below.

CORONAVIRUS DISEASE (COVID-19) OUTBREAK

Due to the current outbreak of COVID-19 and the needed measures taken on movement restrictions, we wish to inform you that the Company's 37th AGM scheduled on 19 May 2022 will be conducted on virtual format, that is through remote voting using the remote Participation and voting ("RPV") facilities provided by Tricor Investor & Issuing House Services Sdn Bhd ("Tricor") for shareholders /proxies who wish to participate in the AGM.

Shareholders are strongly advised to participate and vote remotely at the 37th AGM via the RPV facilities which are available on Tricor's TIIH online website at <https://tiih.online> and select "e-Services" to login. Please submit your request for the remote participation in accordance with the procedures as set out in the Administrative Details. Should you require any assistance on the RPV facilities, kindly contact our Share registrar, Tricor.

REMOTE PARTICIPATION AND VOTING ("RPV") FACILITIES

Shareholders are to attend, speak (including posing questions to the Board via real time submission of typed texts) and vote (collectively, "participate") remotely at the 37th AGM using RPV provided by Tricor via its TIIH Online website at <https://tiih.online>.

Shareholders who appoint proxies to participate via RPV in the 37th AGM must ensure that the duly executed proxy forms are deposited in a hard copy form or by electronic means to Tricor no later than Tuesday, 17 May 2022 at 10.00 a.m..

Corporate representatives of corporate members must deposit their original certificate of appointment of corporate representative to Tricor not later than Tuesday, 17 May 2022 at 10.00 a.m. to participate via RPV in the 37th AGM.

Attorneys appointed by power of attorney are to deposit their power of attorney with Tricor not later than Tuesday, 17 May 2022 at 10.00 a.m. to participate via RPV in the AGM.

A shareholder who has appointed a proxy or attorney or authorised representative to attend, participate, speak and vote at this Annual General Meeting via RPV must request his/her proxy to register himself/herself for RPV at TIIH Online website at <https://tiih.online>.

As the 37th AGM is a virtual AGM, members who are unable to participate in this AGM may appoint the Chairman of the meeting as his/her proxy and indicate the voting instructions in the proxy form.

Administrative Details

For The 37th Annual General Meeting (37th AGM)

PROCEDURES FOR RPV

Shareholders/proxies/corporate representatives/attorneys who wish to participate in the AGM remotely using the RPV are to follow the requirements and procedures as summarised below:

PROCEDURES	ACTIONS
BEFORE THE DAY OF THE AGM	
1. Register as a user with TIIH Online	<ul style="list-style-type: none"> Using your computer, access the website at https://tiih.online register as a user under "e-Services". refer to the tutorial guide posted on the homepage for assistance. Registration as a user will be apprised within one (1) working day and you will be notified via e-mail. If you are already a user with TIIH Online, you are not required to register again. You will receive an e-mail to notify you that the remote participation is available for registration at TIIH Online.
2. Submit your request	<ul style="list-style-type: none"> Registration is open from 10.00 a.m. Wednesday, 27 April 2022 until the day of AGM Thursday, 19 May 2022. Shareholder(s) or proxy(ies) or corporate representative(s) or attorney(s) are required to pre-register their attendance for the AGM to ascertain their eligibility to participate in the AGM using the RPV. Login in with your user ID (i.e. e-mail address) and password and select the corporate event: "(REGISTRATION) AEON 37TH AGM". Read and agree to the Terms & Conditions and confirm the Declaration Select "Register for Remote Participation and Voting". Review your registration and proceed to register. System will send an e-mail to notify that your registration for remote participation is received and will be verified. After verification of your registration against the general Meeting ROD as at 11 May 2022, the system will send you an e-mail after 17 May 2022 to approve or reject your registration for remote participation.
ON THE DAY OF THE AGM (THURSDAY, 19 MAY 2022)	
3. Login to TIIH Online	<ul style="list-style-type: none"> Login with your user ID and password for remote participation at the 37th AGM at any time from 9.00 a.m. i.e. 1 hour before the commencement of the AGM on Thursday, 19 May 2022 at 10.00 a.m.
4. Participate through Live Streaming	<ul style="list-style-type: none"> Select the corporate event: "(LIVE STREAM MEETING) AEON 37TH AGM" to engage in the proceedings of the 37th AGM remotely. If you have any question for the Chairman/Board, you may use the query box to transmit your question. The Chairman/Board will try to respond to relevant questions submitted by remote participants during the 37th AGM.
5. Online remote voting	<ul style="list-style-type: none"> Voting session commences from 10.00 a.m. on Thursday, 19 May 2022 until a time when the Chairman announces the completion of the voting session of the 37th AGM. Select the corporate event: "(REMOTE VOTING) AEON 37TH AGM" or if you are on the live stream meeting page, you can select "GO TO REMOTE VOTING PAGE" button below the query Box. Read and agree to the Terms & Conditions and confirm the Declaration. Select the CDS account that represents your shareholdings. Indicate your votes for the resolutions that are tabled for voting. Confirm and submit your votes.
6. End of remote participation	Upon the announcement by the Chairman on the closure of the 37 th AGM, the Live Streaming will end.

Note to users of the RPV facilities:

- Should your application to join the meeting be approved, we will make available to you the rights to join the live streamed meeting and to vote remotely. Your login to TIIH Online on the day of meeting will indicate your presence at the virtual meeting.
- The quality of your connection to the live broadcast is dependent on the bandwidth and stability of the internet at your location and the device you use.
- In the event you encounter any issues with logging-in, connection to the live streamed meeting or online voting, kindly call Tricor Help Line at 011-4080 5616/011-4080 3168/011-4080 3169/011-4080 3170 for assistance or e-mail to tiih.online@my.tricorglobal.com for assistance.

ADDITIONAL INFORMATION

Administrative Details

For The 37th Annual General Meeting (37th AGM)

ELECTRONIC LODGEMENT OF PROXY FORM

The procedures to lodge your proxy form electronically via Tricor's TIIH Online website are summarised below:

PROCEDURES	ACTIONS
I. STEPS FOR INDIVIDUAL SHAREHOLDERS	
a. Register as a User with TIIH Online	<ul style="list-style-type: none"> Using your computer, please access the website at https://tiih.online. register as a user under the "e-Services". Please do refer to the tutorial guide posted on the homepage for assistance. If you are already a user with TIIH Online, you are not required to register again.
b. Proceed with submission of Proxy Form	<ul style="list-style-type: none"> After the release of the Notice of Meeting by the Company, login with your user name (i.e. email address) and password. Select the corporate event: "AEON 37th AGM - Submission of Proxy Form". Read and agree to the Terms & Conditions and confirm the Declaration. Insert your CDS account number and indicate the number of shares for your proxy(ies) to vote on your behalf. Appoint your proxy(ies) and insert the required details of your proxy(ies) or appoint Chairman as your proxy. Indicate your voting instructions – FOR or AGAINST, otherwise your proxy will decide your vote. Review and confirm your proxy(ies) appointment. Print proxy form for your record.
II. STEPS FOR CORPORATION OR INSTITUTIONAL SHAREHOLDERS	
c. Register as a User with TIIH Online	<ul style="list-style-type: none"> Access TIIH Online at https://tiih.online Under e-Services, the authorised or nominated representative of the corporation or institutional shareholder selects "Create Account by Representative of Corporate Holder". Complete the registration form and upload the required documents. Registration will be verified, and you will be notified by email within one (1) to two (2) working days. Proceed to activate your account with the temporary password given in the email and re-set your own password. Note: The representative of a corporation or institutional shareholder must register as a user in accordance with the above steps before he/she can subscribe to this corporate holder electronic proxy submission. Please contact our Share registrar if you need clarifications on the user registration. Select the corporate exercise name: "AEON 37th AGM: Submission of Proxy Form".
d. Proceed with submission of Proxy Form	<ul style="list-style-type: none"> Login to TIIH Online at https://tiih.online Agree to the Terms & Conditions and Declaration. Proceed to download the file format for "Submission of Proxy Form" in accordance with the Guidance Note set therein. Prepare the file for the appointment of proxies by inserting the required data. Submit the proxy appointment file. Login to TIIH Online, select corporate exercise name: "AEON 37th AGM: Submission of Proxy Form". Proceed to upload the duly completed proxy appointment file. Select "Submit" to complete your submission. Print the confirmation report of your submission for your record.

PROXY

- The 37th AGM will be conducted via virtual meeting, if you are unable to attend the meeting via RPV on Thursday, 19 May 2022, you may appoint the Chairman of the 37th AGM as proxy and indicate the voting instructions in the Proxy Form.
- The proxy form shall be deposited with the Share Registrar of the Company, Tricor Investor & Issuing House Services Sdn Bhd at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or its Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof. Any notice of termination of person's authority to act as a proxy must be forwarded to the Company prior to the commencement of the Annual General Meeting or Adjourned Annual General Meeting.
- You may also submit the Proxy Form electronically via TIIH Online website at <https://tiih.online> no later than 10.00 a.m. on Tuesday, 17 May 2022. Please do read and follow the above procedures to submit Proxy Form electronically.

Administrative Details

For The 37th Annual General Meeting (37th AGM)

POLL VOTING

- The voting at the 37th AGM will be conducted by poll in accordance with Paragraph 8.29A of Bursa Malaysia Securities Berhad of Main Market Listing requirements. The Company has appointed Tricor Investor & Issuing House Services Sdn Bhd as Poll Administrator to conduct the poll by way of electronic means and Asia Securities Sdn Berhad as Scrutineers to verify the poll results. Shareholders can proceed to vote via RPV on the resolutions before the end of the voting session which will be announced by the Chairman of the Meeting and submit your votes at any time from the commencement of the 37th AGM at 10.00 a.m. Kindly refer to item (5) of the above Procedures for RPV Facilities for guidance on how to vote remotely via TIIH Online website at <https://tiih.online>. The Scrutineers will verify and announce the poll results followed by the Chairman's declaration whether the resolutions are duly passed. A Shareholder can appoint the Chairman of the Meeting as his/her proxy and indicate the voting instruction in the Proxy Form.

ENTITLEMENT TO ATTEND AND VOTE

- Only Members whose names appear in the Record of Depositors as at 5.00 p.m. on 11 May 2022 (General Meeting record of Depositors) shall be entitled to attend, speak and vote at the AGM or appoint proxies to attend, speak and/or vote on his/her behalf.

PRE-MEETING SUBMISSION OF QUESTIONS TO THE BOARDS OF DIRECTORS

- Shareholders may submit questions for the Boards in advance of the 37th AGM via Tricor's TIIH Online website at <https://tiih.online> by selecting "e-Services" to login, pose questions and submit electronically no later than Tuesday, 17 May 2022 at 10.00 a.m.. The Boards will endeavor to answer the questions received at the 37th AGM.

NO REFRESHMENT AND NO DOOR GIFTS

- There will be no distribution of refreshment/door gifts during the 37th AGM as the meeting will be conducted on virtual basis.

RECORDING OR PHOTOGRAPHY

- Strictly NO unauthorised recording or photography of the proceedings of the 37th AGM is allowed.

ENQUIRES

For enquires on the administrative details of this meeting, please contact the following offices during office hours on Monday – Friday from 9.00 a.m. to 5.30 p.m. (except public holidays):

1. Tricor Investor & Issuing House Services Sdn Bhd

Telephone : General	▶ +603 2783 9299/Email: is.enquiry@my.tricorglobal.com
: Ms Christine Cheng	▶ +603 2783 9265/Email: Christine.Cheng@my.tricorglobal.com
: Mr Ang Wai Meng	▶ +603 2783 9281/Email: Wai.Meng.Ang@my.tricorglobal.com
: Ms Wong Pang Yi	▶ +603 2783 9242/Email: Pang.Yi.Wong@my.tricorglobal.com

2. AEON CO. (M) BHD.

Telephone : Nik Surina Suria	▶ +603-9207 2144/Email: niksurina@aeonretail.com.my
: Tengku Adrinna	▶ +603-9207 2014/Email: adrinna.shahaz@aeonretail.com.my

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Proxy Form

AEON CO. (M) BHD.

Registration No. 198401014370 (126926-H)
(Incorporated in Malaysia)

No. of Shares Held	
CDS Account No.	

I/we, _____ (name of shareholder as per NRIC, in capital letters)
 NRIC No./ID No./Company No. _____ (new) _____ (old)
 of _____ (full address)
 being a member of AEON CO. (M) BHD., hereby appoint _____
 (name of proxy as per NRIC, in capital letters) NRIC No. _____ (new) _____ (old)
 of _____ (full address)
 or failing him/her _____ (name of proxy as per NRIC, in capital letters)
 NRIC No. _____ (new) _____ (old)
 of _____ (full address)

or failing him/her, the Chairman of the Meeting as my/our proxy to vote for me/us on my/our behalf at the Thirty-Seventh Annual General Meeting of the Company, to be conducted virtually at the Broadcast Venue at Tricor Business Centre, Gemilang Room, Unit 29-01, Level 29, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi 59200 Kuala Lumpur on Thursday, 19 May 2022 at 10.00 a.m. and at any adjournment thereof.

My/our proxy is to vote as indicated below:

No	Resolution	For	Against
ORDINARY BUSINESS			
Ordinary resolution 1	To declare and approve the payment of a final dividend of 3.0 sen per ordinary share in respect of the financial year ended 31 December 2021		
Ordinary resolution 2	To approve the payment of the Directors' fees to Datuk Iskandar bin Sarudin for the financial year ended 31 December 2021		
Ordinary resolution 3	To approve the payment of the Directors' fees to Encik Shafie bin Shamsuddin for the financial year ended 31 December 2021		
Ordinary resolution 4	To approve the payment of the Directors' fees to Mr Tsutomu Motomura for the financial year ended 31 December 2021		
Ordinary resolution 5	To approve the payment of the Directors' fees to Datuk Syed Ahmad Helmy bin Syed Ahmad for the financial year ended 31 December 2021		
Ordinary resolution 6	To approve the payment of the Directors' fees to Dato' Tunku Putra Badlishah Ibni Tunku Annuar for the financial year ended 31 December 2021		
Ordinary resolution 7	To approve the payment of the Directors' fees to Encik Abdul Rahim bin Abdul Hamid for the financial year ended 31 December 2021		
Ordinary resolution 8	To approve the payment of the Directors' fees to Ms Chong Swee Ying for the financial year ended 31 December 2021		
Ordinary resolution 9	To approve the payment of the Directors' fees to Mr Soichi Okazaki for the financial year ended 31 December 2021		
Ordinary resolution 10	To approve the payment of the Directors' fees to Mr Hiroyuki Kotera for the financial year ended 31 December 2021		
Ordinary resolution 11	To approve the benefits payable to the Director of up to RM150,000 from the date of the forthcoming Annual General Meeting until the conclusion of the next Annual General Meeting of the Company		
Ordinary resolution 12	To re-elect Datuk Iskandar bin Sarudin as Director		
Ordinary resolution 13	To re-elect Encik Shafie bin Shamsuddin as Director		
Ordinary resolution 14	To re-elect Mr Tsutomu Motomura as Director		
Ordinary resolution 15	To re-elect Datuk Syed Ahmad Helmy bin Syed Ahmad as Director		
Ordinary resolution 16	To re-elect Dato' Tunku Putra Badlishah Ibni Tunku Annuar as Director		
Ordinary resolution 17	To re-elect Encik Abdul Rahim bin Abdul Hamid as Director		
Ordinary resolution 18	To re-elect Ms Chong Swee Ying as Director		
Ordinary resolution 19	To re-elect Mr Soichi Okazaki as Director		
Ordinary resolution 20	To re-appoint Messrs KPMG PLT as Auditors of the Company and to authorise the Directors to fix their remuneration		
SPECIAL BUSINESS			
Ordinary resolution 21	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 22	Continuing in Office as an Independent Non-Executive Director - Dato' Tunku Putra Badlishah Ibni Tunku Annuar		
Ordinary Resolution 23	Continuing in Office as an Independent Non-Executive Director - Datuk Syed Ahmad Helmy Bin Syed Ahmad		
Ordinary Resolution 24	Continuing in Office as an Independent Non-Executive Director - Encik Abdul Rahim Bin Abdul Hamid		

[Please indicate with an "X" in the spaces provided whether you wish your votes to be cast for or against the resolutions. In the absence of specific directions, your proxy will vote or abstain as he/she thinks fit.]

For appointment of two proxies, percentage of shareholdings to be represented by the proxies:

Percentage

Proxy 1 _____ %
 Proxy 2 _____ %
 Total _____ 100 %

Signature of Shareholder or Common Seal

Dated this _____ day of _____ 2022

Notes:

1. As a precautionary measure amid the COVID-19 outbreak, the 37th AGM will be conducted virtually through live streaming and online remote voting via Remote Participation and Voting ("RPV") facilities which are available on Tricor Investor & Issuing House Services Sdn Bhd's TIH Online website at <https://tiah.online>. Please follow the procedures provided in the Administrative Details for the 37th AGM in order to register, participate and vote remotely via the RPV facilities.
2. The venue of the 37th AGM is strictly for the purpose of complying with Section 327(2) of the Companies Act 2016 which requires the Chairman of the Meeting to be at the main venue. **No shareholders/proxy(ies)** from the public will be physically present at the Broadcast venue.
3. A member of the Company entitled to participate and vote at the meeting is entitled to appoint not more than two (2) proxies to participate and vote in his stead. The members may submit questions to the Board of Directors at <https://tiah.online> prior to the 37th AGM or to use the query box to transmit questions to Board of Directors via RPV facilities during live streaming. A proxy may but need not be a member of the Company.
4. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he/she specifies the proportions of his/her shareholdings to be represented by each proxy.
5. Where a member is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account") as defined under the Securities Industry (Central Depositories) Act, 1991, there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
6. A member who has appointed a proxy or attorney or authorised representative to attend, participate, speak and vote at this Annual General Meeting via RPV must request his/her proxy to register himself/herself for RPV at TIH Online website at <https://tiah.online>. Please follow the Procedures for RPV in the Administrative Details for the 37th AGM.
7. The appointment of a proxy may be made in a hard copy form or by electronic means in the following manner and must be received by the Company not less than forty-eight (48) hours before the time appointed for holding the AGM or adjourned general meeting at which the person named in the appointment proposes to vote:

(i) In hard copy form

In the case of an appointment made in hard copy form, the proxy form must be deposited with the Share Registrar of the Company at Tricor Investor & Issuing House Services Sdn. Bhd., Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia.

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**AFFIX
STAMP**

The Share Registrar:

AEON CO. (M) BHD. Registration No. 198401014370 (126926-H)
c/o TRICOR INVESTOR & ISSUING HOUSE SERVICES SDN BHD
Registration No. 197101000970 (11324-H)
Unit 32-01, Level 32, Tower A,
Vertical Business Suite,
Avenue 3, Bangsar South,
No.8, Jalan Kerinchi, 59200 Kuala Lumpur,
Wilayah Persekutuan, Malaysia.

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(ii) By electronic form

The proxy form can be electronically lodged with the Share Registrar of the Company via TIH Online at <https://tiah.online> (applicable to individual shareholders only). Kindly refer to the Administrative Details on the procedures for electronic lodgement of proxy form via TIH Online.

8. Please ensure ALL the particulars as required in the proxy form are completed, signed and dated accordingly.
9. Last date and time for lodging the proxy form is **Tuesday, 17 May 2022 at 10.00 a.m.**
10. Any authority pursuant to which such an appointment is made by a power of attorney must be deposited with the Share Registrar of the Company at Tricor Investor & Issuing House Services Sdn. Bhd., Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia not less than forty-eight (48) hours before the time appointed for holding the AGM or adjourned general meeting at which the person named in the appointment proposes to vote. A copy of the power of attorney may be accepted provided that it is certified notarially and/or in accordance with the applicable legal requirements in the relevant jurisdiction in which it is executed.
11. For a corporate member who has appointed a representative, please deposit the **ORIGINAL** certificate of appointment with the Share Registrar of the Company at Tricor Investor & Issuing House Services Sdn. Bhd., Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia. The certificate of appointment should be executed in the following manner:
 - (i) If the corporate member has a common seal, the certificate of appointment should be executed under seal in accordance with the constitution of the corporate member.
 - (ii) If the corporate member does not have a common seal, the certificate of appointment should be affixed with the rubber stamp of the corporate member (if any) and executed by:
 - (a) at least two (2) authorised officers, of whom one shall be a director; or
 - (b) any director and/or authorised officers in accordance with the laws of the country under which the corporate member is incorporated.
12. In respect of deposited securities, only members whose names appear on the Record of Depositors on 11 May 2022 (General Meeting Record of Depositors) shall be eligible to attend the meeting or appoint proxy(ies) to attend, speak and/or vote on his/her behalf.

Personal Data Privacy:

By submitting an instrument appointing a proxy(ies) and /or representative(s), the member accepts and agrees to the personal data privacy terms as set out in the Notice of Annual General Meeting dated 27 April 2022.



AEON CO. (M) BHD.

Registration No. 198401014370 (126926-H)

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www.aeongroupmalaysia.com



AEON Group Malaysia



AEON Retail Malaysia



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