

**AEON CO. (M) BHD.**  
(Incorporated in Malaysia)  
(Company No. 198401014370 (126926-H))

**QUARTERLY REPORT FOR THE  
FINANCIAL PERIOD ENDED 30 JUNE 2025**

AEON CO. (M) BHD.  
(Incorporated in Malaysia)  
(Company No. 198401014370 (126926 - H))

QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2025

**ANNOUNCEMENT**

The Board of Directors of AEON CO. (M) BHD. (“AEON” or “the Company”) presents the following unaudited condensed consolidated financial statements for the second quarter ended 30 June 2025 which should be read in conjunction with the audited financial statements for the financial year ended 31 December 2024 and the accompanying explanatory notes attached to the unaudited condensed consolidated financial statements.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS**

	<b>Individual Quarter</b>		<b>Cumulative Period</b>	
	<b>Quarter ended</b>		<b>Period ended</b>	
	<b>30 June</b>		<b>30 June</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
	<b>RM'm</b>	<b>RM'm</b>	<b>RM'm</b>	<b>RM'm</b>
Revenue	999.6	1,020.9	2,244.4	2,188.3
Total operating expenses	(964.6)	(962.5)	(2,083.1)	(2,018.9)
Other operating income	5.7	8.4	12.8	14.4
<b>Profit from operations</b>	<b>40.7</b>	<b>66.8</b>	<b>174.1</b>	<b>183.8</b>
Interest expense				
- Lease interest	(18.7)	(19.3)	(38.0)	(39.1)
- Interest charges	(7.0)	(4.4)	(14.1)	(8.9)
	(25.7)	(23.7)	(52.1)	(48.0)
Interest income	3.0	1.6	6.7	3.6
Share of results of associate	0.6	0.8	0.6	0.9
<b>Profit before tax</b>	<b>18.6</b>	<b>45.5</b>	<b>129.3</b>	<b>140.3</b>
Tax expense	(6.3)	(17.8)	(48.9)	(55.1)
<b>Profit for the period</b>	<b>12.3</b>	<b>27.7</b>	<b>80.4</b>	<b>85.2</b>
Basic earnings per ordinary share (sen) (Note B11)	0.88	1.97	5.73	6.07

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QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2025

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

	<b>Individual Quarter</b>		<b>Cumulative Period</b>	
	<b>Quarter ended</b>		<b>Period ended</b>	
	<b>30 June</b>		<b>30 June</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
	<b>RM'm</b>	<b>RM'm</b>	<b>RM'm</b>	<b>RM'm</b>
<b>Profit for the period</b>	12.3	27.7	80.4	85.2
<b>Other comprehensive income:</b>				
(Loss)/gain on fair value of other investments	(4.0)	11.2	(4.3)	17.7
<b>Total comprehensive income for the period</b>	<u>8.3</u>	<u>38.9</u>	<u>76.1</u>	<u>102.9</u>

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QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2025

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	30 June 2025 RM'm	31 December 2024 RM'm
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	3,069.0	3,102.2
Intangible assets	22.3	28.6
Right-of-use assets	1,081.8	1,163.1
Investments in associate	2.6	2.0
Other investment	54.9	58.1
Other assets	77.7	26.0
Deferred tax assets	194.5	187.2
	4,502.8	4,567.2
<b>Current assets</b>		
Inventories	578.7	614.1
Contract assets	21.1	18.5
Receivables, deposits and prepayments	101.1	60.2
Tax recoverable	-	3.2
Cash and cash equivalents	200.0	371.4
	900.9	1,067.4
<b>TOTAL ASSETS</b>	<u><u>5,403.7</u></u>	<u><u>5,634.6</u></u>

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QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2025

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)**

	30 June 2025 RM'm	31 December 2024 RM'm
<b>EQUITY AND LIABILITIES</b>		
Share capital	702.0	702.0
Reserves	1,248.0	1,235.1
<b>TOTAL EQUITY</b>	1,950.0	1,937.1
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
Borrowings	590.0	590.0
Lease liabilities	1,399.4	1,494.1
Other liabilities	79.4	77.8
	2,068.8	2,161.9
<b>Current liabilities</b>		
Contract liabilities	74.1	84.5
Borrowings	-	30.0
Lease liabilities	193.9	192.6
Payables and accruals	1,098.1	1,228.5
Current tax liability	18.8	-
	1,384.9	1,535.6
<b>TOTAL LIABILITIES</b>	3,453.7	3,697.5
<b>TOTAL EQUITY AND LIABILITIES</b>	5,403.7	5,634.6

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QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2025

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

	<b>Non-distributable</b>		<b>Distributable</b>	
	<b>Share capital</b>	<b>Fair value reserve</b>	<b>Retained earnings</b>	<b>Total equity</b>
	<b>RM'm</b>	<b>RM'm</b>	<b>RM'm</b>	<b>RM'm</b>
<b>At 1 January 2025</b>	702.0	57.1	1,178.0	1,937.1
Total comprehensive income for the period	-	(4.3)	80.4	76.1
Final dividend in respect of year ended 31 December 2024	-	-	(63.2)	(63.2)
<b>At 30 June 2025</b>	<u>702.0</u>	<u>52.8</u>	<u>1,195.2</u>	<u>1,950.0</u>
<b>At 1 January 2024</b>	702.0	50.7	1,106.2	1,858.9
Total comprehensive income for the period	-	17.7	85.2	102.9
Final dividend in respect of year ended 31 December 2023	-	-	(56.2)	(56.2)
<b>At 30 June 2024</b>	<u>702.0</u>	<u>68.4</u>	<u>1,135.2</u>	<u>1,905.6</u>

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QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2025

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW**

	Cumulative Period Ended	
	30 June 2025 RM'm	30 June 2024 RM'm
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	129.3	140.3
Adjustments for:		
Depreciation and amortisation	217.7	207.7
Other non-cash items	1.0	(4.2)
Interest expense	52.1	48.0
Interest income	(6.7)	(3.6)
Operating profit before changes in working capital	393.4	388.2
Changes in working capital	(201.7)	(87.1)
Cash generated from operations	191.7	301.1
Tax paid	(34.2)	(41.0)
<b>Net cash generated from operating activities</b>	<b>157.5</b>	<b>260.1</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of property, plant and equipment and intangible assets	(92.5)	(79.1)
Investment in other investments	(1.0)	-
Proceeds from disposal of property, plant and equipment	-	1.1
Interest received	6.7	3.6
<b>Net cash used in investing activities</b>	<b>(86.8)</b>	<b>(74.4)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Payment of lease liabilities	(98.2)	(90.6)
Net (repayment)/drawdown of borrowings	(30.0)	21.1
Interest paid	(50.7)	(47.8)
Dividend paid	(63.2)	(56.4)
<b>Net cash used in financing activities</b>	<b>(242.1)</b>	<b>(173.7)</b>
<b>Net change in cash and cash equivalents</b>	<b>(171.4)</b>	<b>12.0</b>
<b>Cash and cash equivalents at 1 January</b>	<b>371.4</b>	<b>99.8</b>
<b>Cash and cash equivalents at 30 June</b>	<b>200.0</b>	<b>111.8</b>

QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2025

**PART A – EXPLANATORY NOTES PURSUANT TO  
MALAYSIAN FINANCIAL REPORTING STANDARD 134**

**1 Basis of Preparation**

The unaudited quarterly report has been prepared in accordance with the reporting requirements as set out in Malaysian Financial Reporting Standard (“MFRS”) 134 “Interim Financial Reporting”, Paragraph 9.22 and Appendix 9B of the Bursa Malaysia Securities Berhad Main Market Listing Requirements (“Bursa Securities Listing Requirements”) and should be read in conjunction with the audited financial statements for the financial year ended 31 December 2024.

**2 Significant Accounting Policies**

The accounting policies and methods adopted for the unaudited condensed financial statements are consistent with those adopted for the audited financial statements for the financial year ended 31 December 2024 except for the adoption of the following Amendments to Standards during the current financial period:

- Amendments to MFRS 121, *The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability*

Malaysian Accounting Standards Board had issued the following amendments and new standards which are effective for the following financial years:

(i) Financial year beginning on or after 1 January 2026:

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

(ii) Financial year beginning on or after 1 January 2027:

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

(iii) Effective 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*

The Company plans to apply the abovementioned accounting standards, interpretation and amendments in the respective financial years when the above accounting standards, interpretation and amendments become effective where applicable.



QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2025

**PART A – EXPLANATORY NOTES PURSUANT TO  
MALAYSIAN FINANCIAL REPORTING STANDARD 134 (continued)**

**3 Seasonal/Cyclical Factors**

The operations of the Company typically experience higher customer count, transaction value and sales during weekends, public holidays, school holidays and festive seasons.

**4 Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flow**

There were no unusual items affecting the assets, liability, equity, net income or cash flows for the financial period ended 30 June 2025.

**5 Material Changes in Estimates**

There were no material changes in estimates of amounts reported in prior financial year that have a material effect for the financial period ended 30 June 2025.

**6 Debt and Equity Securities**

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities for the financial period ended 30 June 2025, other than as disclosed in this quarterly report.

**7 Dividends Paid**

During the financial period ended 30 June 2025, the final single-tier dividend of 4.5 sen per ordinary share in respect of the financial year ended 31 December 2024 amounting to RM63,180,000 was paid on 19 June 2025.

**8 Material Events Subsequent to End of Financial Period**

There were no material events subsequent to end of financial period to be disclosed in the financial statements for the financial period ended 30 June 2025, other than as disclosed in this quarterly report.

**9 Effects of Changes in the Composition of the Company**

There were no changes in the composition of the Company for the financial period ended 30 June 2025.

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QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2025

**PART A – EXPLANATORY NOTES PURSUANT TO  
MALAYSIAN FINANCIAL REPORTING STANDARD 134 (continued)**

**10 Operating Segments**

The operating segments analysis is as follows:

	Retailing		Property Management Services		Total	
	Period ended		Period ended		Period ended	
	30 June 2025	30 June 2024	30 June 2025	30 June 2024	30 June 2025	30 June 2024
	RM'm	RM'm	RM'm	RM'm	RM'm	RM'm
Revenue	1,845.8	1,817.3	398.6	371.0	2,244.4	2,188.3
Segmental profit	26.1	54.2	165.1	147.8	191.2	202.0
Less: Unallocated expenses					(17.1)	(18.2)
Profit from operations					174.1	183.8
Interest expense						
- Lease interest					(38.0)	(39.1)
- Interest charges					(14.1)	(8.9)
Interest income					6.7	3.6
Share of results of associate					0.6	0.9
Profit before tax					129.3	140.3
Tax expense					(48.9)	(55.1)
Profit for the period					80.4	85.2

**11 Revenue**

	Quarter ended		Period ended	
	30 June 2025	30 June 2024	30 June 2025	30 June 2024
	RM'm	RM'm	RM'm	RM'm
Sale of goods	717.9	728.7	1,613.7	1,571.7
Net commission from concessionaire sales	72.8	91.8	201.0	215.9
Property management services	196.6	186.3	403.2	375.1
Others	12.3	14.1	26.5	25.6
	999.6	1,020.9	2,244.4	2,188.3

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QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2025

**PART A – EXPLANATORY NOTES PURSUANT TO  
MALAYSIAN FINANCIAL REPORTING STANDARD 134 (continued)**

**12 Related Party Transactions**

During the current quarter under review and up to the date of this announcement, the Company did not enter into any Related Party Transactions or Recurrent Related Party Transactions of a revenue or trading nature that had not been included or exceeded the estimated value by 10% or more of the total aggregate amount which had been mandated by the shareholders during the Annual General Meeting held on 22 May 2025, other than the Proposed Joint Venture between the Company and AEON Credit Service (M) Berhad as described in Part B - Note 12.

**13 Contingent Liabilities or Contingent Assets**

There were no contingent liabilities or contingent assets since the last audited financial statements for the financial year ended 31 December 2024.

**14 Capital Commitments**

Capital commitments not provided for in the financial statements as at the end of the financial period are as follows:

	<b>30 June 2025</b>	<b>31 December 2024</b>
	<b>RM'm</b>	<b>RM'm</b>
Property, plant and equipment		
Contracted but not provided for and not payable	396.7	115.4

**15 Fair value measurements**

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

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

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QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2025

**PART A – EXPLANATORY NOTES PURSUANT TO  
MALAYSIAN FINANCIAL REPORTING STANDARD 134 (continued)**

**15 Fair value measurements (continued)**

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 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			Carrying amount
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3	
	RM'm	RM'm	RM'm	RM'm	RM'm	RM'm	
<b>30 June 2025</b>							
<b>Financial Asset</b>							
Investment in quoted equities	53.8	-	-	-	-	-	53.8
<b>Financial Liabilities</b>							
Borrowings	-	-	-	-	-	(587.6)	(590.0)

	Fair value of financial instruments carried at fair value			Fair value of financial instruments not carried at fair value			Carrying amount
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3	
	RM'm	RM'm	RM'm	RM'm	RM'm	RM'm	
<b>31 December 2024</b>							
<b>Financial Asset</b>							
Investment in quoted equities	58.1	-	-	-	-	-	58.1
<b>Financial Liabilities</b>							
Borrowings	-	-	-	-	-	(627.6)	(620.0)

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QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2025

**PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE BURSA SECURITIES LISTING REQUIREMENTS**

**1 Review of Performance**

- a. Performance of the current quarter (Second Quarter FY25) against the corresponding quarter (Second Quarter FY24)

	Quarter Ended 30 June 2025 RM'm	Quarter Ended 30 June 2024 RM'm	Changes 4%
Revenue by segment:			
Retail business	805.4	836.8	-3.8%
Property management services	194.2	184.1	5.5%
Total Revenue	999.6	1,020.9	-2.1%
Profit from operations	40.7	66.8	-39.1%
Profit before tax	18.6	45.5	-59.1%

For the current quarter, the Company registered a total revenue of RM999.6 million, 2.1% lower as compared to corresponding quarter of RM1,020.9 million.

Retail business recorded revenue at RM805.4 million, 3.8% lower compared to corresponding quarter of RM836.8 million. The decline in revenue was mainly due to timing difference of festive seasons, which impacted consumer spending patterns.

Property management services recorded revenue at RM194.2 million, 5.5% higher compared to corresponding quarter of RM184.1 million. The growth was contributed by improvement in occupancy rate and effective rental renewals.

Profit before tax declined by 59.1% from corresponding quarter of RM45.5 million to current quarter of RM18.6 million. The decrease was mainly attributable to lower revenue recognised during the quarter, driven by timing differences in festive seasons that resulted in reduced footfall and consumer spending compared to the corresponding period.

- b. Performance of the current quarter (Second Quarter FY25) against the preceding quarter (First Quarter FY25)

	Current Quarter 30 June 2025 RM'm	Preceding Quarter 31 March 2025 RM'm	Changes %
Revenue by segment:			
Retail business	805.4	1,040.4	-22.6%
Property management services	194.2	204.4	-5.0%
Total Revenue	999.6	1,244.8	-19.7%
Profit from operations	40.7	133.4	-69.5%
Profit before tax	18.6	110.7	-83.2%

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QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2025

**PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE BURSA SECURITIES LISTING REQUIREMENTS (continued)**

**1 Review of Performance (continued)**

- b. Performance of the current quarter (Second Quarter FY25) against the preceding quarter (First Quarter FY25) (continued)

For the current quarter, the Company registered a total revenue of RM999.6 million, 19.7% lower as compared to preceding quarter of RM1,244.8 million.

Retail business recorded revenue at RM805.4 million, 22.6% lower compared to preceding quarter of RM1,040.4 million. The decrease was mainly due to higher consumer spending during the preceding quarter, which coincided with the double festive periods of Chinese New Year and Hari Raya.

Property management services recorded revenue at RM194.2 million, 5.0% lower compared to preceding quarter of RM204.4 million. The decline was driven by higher sales commission recognised in the preceding quarter as a result of increased tenant sales during the double festive periods.

Profit before tax declined by 83.2% from preceding quarter of RM110.7 million to RM18.6 million mainly driven by lower revenue following the exceptional performance during the double festive periods in the preceding quarter.

- c. Performance of the current period (YTD June 2025) against the corresponding period (YTD June 2024)

	Period Ended 30 June 2025 RM'm	Period Ended 30 June 2024 RM'm	Changes %
Revenue by segment:			
Retail business	1,845.8	1,817.3	1.6%
Property management services	398.6	371.0	7.4%
Total Revenue	2,244.4	2,188.3	2.6%
Profit from operations	174.1	183.8	-5.3%
Profit before tax	129.3	140.3	-7.8%

For the current period, the Company registered a total revenue of RM2,244.4 million, 2.6% higher as compared to corresponding period of RM2,188.3 million.

Retail business recorded revenue at RM1,845.8 million, 1.6% higher compared to corresponding period of RM1,817.3 million, supported by higher customer spending.

Property management services recorded revenue at RM398.6 million, 7.4% higher compared to corresponding period of RM371.0 million. The growth was driven by improved occupancy rate and effective rental renewals.

Profit before tax declined by 7.8% from corresponding period of RM140.3 million to RM129.3 million, mainly attributable to higher operating costs.

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QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2025

**PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE BURSA SECURITIES LISTING REQUIREMENTS (continued)**

**2 Prospects for the Financial Year Ending 31 December 2025 (FY2025)**

The Company remains committed to enhancing operational efficiency, expanding Private Brands assortment, accelerating digital transformation, optimising tenant mix, strengthening the loyalty programme and maximising the value of retail spaces to drive higher foot traffic. Renovation works are underway at several AEON stores and malls, underscoring ongoing efforts to reinforce AEON's competitiveness and relevance in an increasingly dynamic retail landscape.

The Company anticipates a gradual recovery in the retail sector in the second half of 2025, supported by stabilising consumer sentiment and continued government support measures. However, the recovery remains vulnerable to persistent cost pressures, including the expanded scope of Sales and Service Tax (SST) and rising utility tariffs, which are expected to weigh on operating margins in the near term. Notwithstanding these challenges, the Company remains cautiously optimistic and will continue executing its strategic priorities to sustain competitiveness and deliver long-term value to its stakeholders.

**3 Profit Forecast/Profit Guarantee**

Not applicable as the Company did not publish any profit forecast or profit guarantee.

**4 Tax expense**

Tax expense comprises:

	Quarter ended		Period ended	
	30 June 2025	30 June 2024	30 June 2025	30 June 2024
	RM'm	RM'm	RM'm	RM'm
Current tax expense	7.2	18.4	56.2	56.9
Deferred tax expense	(0.9)	(0.6)	(7.3)	(1.8)
	6.3	17.8	48.9	55.1

The Company's effective tax rate is higher than the statutory tax rate mainly due to expenses not deductible for tax purposes.

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**PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE BURSA SECURITIES LISTING REQUIREMENTS (continued)**

**5 Notes to the Statement of Profit or Loss**

	Quarter ended		Period ended	
	30 June 2025	30 June 2024	30 June 2025	30 June 2024
	RM'm	RM'm	RM'm	RM'm
Profit before tax is arrived at after charging/(crediting):				
Depreciation and amortisation	66.2	65.5	131.6	131.5
Depreciation of right of use assets	43.0	38.4	86.1	76.2
Interest expense				
- lease interest	18.7	19.3	38.0	39.1
- interest charges	7.0	4.4	14.1	8.9
Impairment loss/(Reversal of impairment) on trade receivables	1.0	(1.0)	1.1	(0.8)
Reversal of impairment loss on property, plant and equipment	-	-	-	(0.9)
Fixed assets written off	-	0.2	0.5	1.3
Interest income	(3.0)	(1.6)	(6.7)	(3.6)

Other disclosure items pursuant to Appendix 9B Note 16 of the Listing Requirements of Bursa Malaysia Securities Berhad are not applicable.

**6 Status of Corporate Proposal**

On 19 August 2025, the Company entered into a Joint Venture and Shareholders' Agreement with AEON Credit Service (M) Berhad to establish a Joint Venture Company as described in Part B – Note 12.

**7 Borrowings and Debt Securities**

	As at 30 June 2025		
	Long term	Short term	Total borrowings
	RM denomination	RM denomination	RM denomination
	RM'm	RM'm	RM'm
<b>Unsecured</b>			
Islamic Medium Term Notes	590.0	-	590.0
	590.0	-	590.0



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QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2025

**PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE BURSA SECURITIES LISTING REQUIREMENTS (continued)**

**7 Borrowings and Debt Securities (continued)**

	As at 30 June 2024		
	Long term	Short term	Total borrowings
	RM denomination RM'm	RM denomination RM'm	RM denomination RM'm
<b>Unsecured</b>			
Term loans	-	11.1	11.1
Revolving credit	-	60.0	60.0
Islamic Medium Term Notes	370.0	-	370.0
	370.0	71.1	441.1

- (i) There was no outstanding term loan as at 30 June 2025. Outstanding term loan as at 30 June 2024 amounted to RM11.1 million which bears interest rate of 3.03% per annum had been fully repaid.
- (ii) There was no outstanding revolving credit as at 30 June 2025. Outstanding revolving credit as at 30 June 2024 amounted to RM60.0 million which bears interest rate of 3.92% per annum had been fully repaid.
- (iii) The unsecured Islamic Medium Term Notes (“IMTN”) bear interest rate ranging from 4.00% to 4.41% (2023: 4.28% to 4.41%) per annum.

**8 Changes in Material Litigation**

On 2 March 2021, the Company received a legal suit from Betanaz Properties Sdn. Bhd. (“Betanaz”). Betanaz alleged that the Company breached the Tenancy Agreement dated 24 August 2017 (“Tenancy Agreement”) for wrongfully terminated the Tenancy Agreement. Betanaz is seeking for, among others, the following reliefs:

- (i) Rental payment 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 allegedly incurred by Betanaz for the project, including site clearance and earthworks, consultancy fees, financing costs and other incidental costs arising from the banking facilities and other costs amounting to RM18,936,207.76.

On 29 March 2021, the Company filed and served its defence against Betanaz. Further, the Company, as the plaintiff, filed a counterclaim against Betanaz. as the first defendant, and Ahmad Zaki Resources Berhad (“AZRB”) as the second defendant due to the non-fulfilment of the conditions precedent on the part of the defendants prior to the expiry of the respective conditional periods, and thus the Tenancy Agreement and Commercial Agreement dated 24 August 2017 had been rendered void due to the expiry of the conditional periods on 23 October 2020 and 23 January 2020 respectively.

The Company is claiming the return or payment of approximately RM2,303,087.00 being the consultation fees for the project from Betanaz 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.

QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2025

**PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE BURSA SECURITIES  
LISTING REQUIREMENTS (continued)**

**8 Changes in Material Litigation (continued)**

On 16 December 2024, the Kuala Lumpur High Court delivered the decision as follows:

- (a) The claim on judgement sum of RM59,302,302.97 was not allowed;
- (b) The claim on the final judgement for RM18,678,255.27 against the Company was allowed, together with interest at the rate of 5% per annum from 1 March 2021 until the full payment is paid (“Interest”);
- (c) Costs to be paid by the Company to Betanaz and AZRB amounting to RM200,000 and RM100,000 respectively, within 45 days from 16 December 2024; and
- (d) The Company’s counterclaim against Betanaz and AZRB was dismissed.

On 23 December 2024, the Company had filed both the Notice of Appeal and the Stay Application for a stay of execution of the High Court’s decision. The Court of Appeal has fixed the case management date on 25 March 2025. On 7 January 2025, the High Court had granted the Company a conditional stay, pending appeal, and the following payments have been remitted on 22 January 2025:

- (a) Judgement sum amounting to RM18,678,255.27, together with Interest to Betanaz’s solicitors as stakeholders in an interest-bearing account; and
- (b) Legal costs for the sum of RM200,000.00 awarded to Betanaz and RM100,000.00 to AZRB respectively.

On 25 March 2025, the Court of Appeal fixed a further case management date on 21 April 2025 and during the case management on 21 April 2025, the Court of Appeal has fixed the Hearing date for the Appeal on 17 March 2026.

Based on the advice by the Company’s lawyers, with due respect to the judgement of the High Court, the Directors are of the view that Betanaz is not entitled to the reliefs because the Tenancy Agreement and Commercial Agreement dated 24 August 2017 had been rendered void due to the expiry of the conditional periods on 23 October 2020 and 23 January 2020 respectively.

**9 Dividend**

No dividend was proposed or declared for the financial period ended 30 June 2025.

**10 Qualification of the Preceding Audited Annual Financial Statements**

There was no qualification to the preceding audited annual financial statements for the financial year ended 31 December 2024.

AEON CO. (M) BHD.  
(Incorporated in Malaysia)  
(Company No. 198401014370 (126926 - H))

QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2025

**PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE BURSA SECURITIES LISTING REQUIREMENTS (continued)**

**11 Earnings Per Share**

	Quarter ended		Period ended	
	30 June 2025	30 June 2024	30 June 2025	30 June 2024
Profit attributable to the owners for the period (RM'm)	12.3	27.7	80.4	85.2
Weighted average number of ordinary shares in issue ('m)	1,404	1,404	1,404	1,404
Basic earnings per ordinary share (sen)	0.88	1.97	5.73	6.07

Diluted earnings per share is not applicable for the Company.

**12 Material Event Subsequent to End of Financial Period**

Issuance of Islamic Medium-Term Notes ("IMTN")

On 18 August 2025, the Company issued the second series of IMTN amounting RM200.0 million with tenure of 7 years at the interest rate of 3.79% per annum, payable semi-annually. The Company intends to utilise the proceeds for working capital requirements, capital expenditures, investments and other general corporate purposes.

Proposed Joint Venture between the Company and AEON Credit Service (M) Berhad ("ACS")

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

The JVCo will be incorporated in Malaysia with an issued share capital of RM50.0 million, to be subscribed by the Company and ACS in a 49%/51% ratio. The JVCo will manage the customer loyalty platform for AEON Group and subsequently expand the business to external partnerships.

Upon subscription of 49% of the shares in the JVCo, the JVCo will be deemed as an associate of the Company.