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Net Profit For the First Nine Months of FY 2021/22 Up by 5.6% to HK\$ 243.3 Million Through Successful Promotion Programs and Healthy Credit Portfolio

Continuous Launch of New Products and Promotion Programs to Capture Improving Consumer Credit Demand

AEON Credit Service (Asia) Company Limited (“AEON Credit” or the “Group”; HKEX: 00900) announced today its unaudited results for the nine months ended 30 November 2021 (“nine months of FY2021/22”).

Despite the unprecedented headwinds from the pandemic, the launch of various promotion programs to capture recovering credit card spending, resulted in sales for the nine months of FY2021/22 increasing by 21.0% year-on-year. However, this surge in credit card sales had yet to start pushing revolving credit card balances and personal loan receivables back up to pre-pandemic level. As a result, revenue was down 8.3% year-on-year to HK\$770.3 million. Nonetheless, due to continuous efforts to refine its credit assessment process, the Group has built a healthy credit portfolio. With the economic situation and the unemployment rate continuing to improve, along with the Group’s debt management efforts to reduce overdue advances and receivables proving effective, impairment losses and impairment allowances significantly dropped 63.4% year-on-year to HK\$65.0 million. Consequently, the Group’s profit after tax rose to HK\$243.3 million, representing an increase of 5.6%. Earnings per share increased from 55.01 HK cents to 58.09 HK cents.

In confronting the continuous challenges of the pandemic and to remain competitive amid rapidly shifting consumer spending behavior, the Group launched various promotion programs to capture opportunities arising from the recovery in credit card spending. Following the overwhelming success of the Ocean Park promotion, the Group launched another promotion offering 10-times bonus points for local dining and online spending over the three months ending 30 November 2021 (the “third quarter”). Moreover, a tailored tax loan rebate program was launched with the aim of expanding the personal loan customer base.

In the third quarter, the Group launched the acquiring service for AEON Stores (Hong Kong) Company Limited (“AEON Stores”), which involves processing non-AEON credit card purchases inside AEON Stores. The Group also enhanced the functions of the AEON HK Mobile App, which now includes direct debit authorization and permits changing of personal identification numbers. The Group will continue to develop additional new functions for the App to enhance the customer experience, as well as develop new cards and a new loan system.

Looking ahead, the unemployment rate in Hong Kong is expected to remain stable, providing potential opportunities for the Group to continue to expand its business in the fourth quarter.



In order to further diversify its customer segments, the Group will continue to invest in the launch of new products and the opening of new branches during the fourth quarter. The Group will also continue to create new promotion programs, such as Winter Spending Rewards, in the fourth quarter to capture the improving consumer credit demand in a bid to increase its receivable balances.

In regard to the Mainland China business, the Group will focus on developing new products and services for its microfinance subsidiary in Shenzhen and transforming its structure so as to capture future business opportunities within the Greater Bay Area.

Mr. Tomoharu Fukayama, Managing Director of AEON Credit, said, “We are encouraged by the well-received promotion programs, which have allowed us to gain a better understanding of customer needs and behaviour. With clearer insight, a healthy credit portfolio and solid business plans, we are poised to seize the recovering consumer credit demand and deliver long-term value to our shareholders.”

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About AEON Credit Service (Asia) Company Limited (Stock Code: 00900)

AEON Credit Service (Asia) Company Limited, a subsidiary of AEON Financial Service Co., Ltd. (TSE: 8570) and a member of the AEON Group, was set up in 1987 and listed on the Main Board of The Stock Exchange of Hong Kong Limited in 1995. The Group is principally engaged in the consumer finance business, which includes the issuance of credit cards and the provision of personal loan financing, card payment processing services, insurance agency and brokerage business in Hong Kong and microfinance business in Mainland China.