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AEON CREDIT SERVICE (ASIA) COMPANY LIMITED
AEON 信貸財務（亞洲）有限公司
(Incorporated in Hong Kong with limited liability)

AEON Credit Announces 1QFY2024/25 Results
Revenue Rises 12.3% to HK\$426.5 million

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(Hong Kong, 26 June 2024) – AEON Credit Service (Asia) Company Limited (“AEON Credit” or the “Group”; Stock Code: 00900) today announced its results for the three months ended 31st May 2024 (“1QFY2024/25” or the “Reporting Period”).

During the Reporting Period, the Group’s revenue rose 12.3% year-on-year to HK\$426.5 million, as its revolving credit card and personal loan receivables balances continued to increase. With the cost-to-income ratio improving to 47.3% from 50.0%, operating profit before impairment losses and impairment allowances climbed 19.4% to HK\$211.3 million. Profit after tax was HK\$83.3 million (1QFY2023/24: HK\$97.0 million), with earnings per share at 19.88 HK cents (1QFY2023/24: 23.16 HK cents). The drop in profit after tax was attributable to an increase in impairment losses and impairment allowances amid the prolonged effect of the deterioration in the capital market and slow recovery in inbound tourism.

As the Group continued to use targeted marketing and successful marketing promotions to boost sales and receivables growth momentum, total sales in 1QFY2024/25 increased by 10.7% as compared with the first quarter of the previous year (“1QFY2023/24”), and the gross advances and receivables balance increased by 1.1% as compared with the end of February 2024.

Looking ahead, the Group will place greater emphasis on making the best use of both mobile application and traditional marketing channels to promote its credit card and personal loan products, and introduce unique features in the “AEON HK” mobile application (the “Mobile App”) to enrich the customer experience and capture the growing demand for contactless mobile payment services. The launch of the virtual card function in the Mobile App in the second quarter will provide customers with an instant purchase experience right after card approval and activation, without the need to visit a branch.

In face of a challenging credit environment amid high interest rates, the Group will continue to increase its receivables while closely monitoring the effectiveness of credit assessment and credit management improvement, as well as to achieve better maturity matching requirements, so as to minimize credit and liquidity risk.

In terms of digitalization of operations, the Group has completed the upgrade of its credit application processing platform and will further enhance its call centre platform and provide prompt interaction



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with its customers. In addition, data analytics tools will continue to be enhanced to improve the effectiveness of the Group's marketing, credit assessment and credit management activities.

Mr. Wei Aiguo, Managing Director of AEON Credit, said, "We are glad to have continued to drive our business forward in the first quarter of FY2024/25 despite an uncertain and challenging market environment. We will continue to devote resources to provide exceptional consumer finance services to meet the evolving needs of our customers and to expand our customer base with more innovative and customized products. With the Group's strong liquidity position and balance sheet and proven management capabilities, we are well positioned to take advantage of the opportunities in the recovering consumer finance market to attain rebound growth in the remainder of the year."

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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.