AEON STORES (HONG KONG) CO., LIMITED
永旺(香港)百貨有限公司
(Incorporated in Hong Kong with limited liability)
(Stock code: 984)

ANNOUNCEMENT
REVISION OF ANNUAL CAPS FOR CONTINUING CONNECTED TRANSACTIONS IN RELATION TO THE GC MASTER AGREEMENT

Independent financial adviser to
the Independent Board Committee and Independent Shareholders

FIRST

First Global Corporate Finance Co., Limited

CONTINUING CONNECTED TRANSACTIONS

Reference is made to the Circular dated 25 February 2025 relating to, inter alia, the GC Master Agreement, pursuant to which AEON Credit may from time to time place purchase orders with the Company for the AEON Stores Gift Certificates. Upon acceptance of the order and receipt of payment, the Company will issue the AEON Stores Gift Certificates in such quantity corresponding to the amount of payment received from AEON Credit. Upon collection by AEON Credit, the AEON Stores Gift Certificates shall be non-returnable, non-refundable and non-exchangeable for cash.

According to the recent review by the Board on its Transactions under the GC Master Agreement, there is a growing demand for AEON Stores Gift Certificates from the Cardholders for redemption under the AEON Bonus Point Program, which increases at a rate beyond the Company's earlier estimation. Accordingly, the Original Annual Caps will not be sufficient to meet its business needs. Taking into account the anticipated transformation of the AEON Bonus Point Program that is expected to, among other things, permit earning of bonus points from AEON Credit as well as other participating merchants, the Board would like to propose to seek the approval of the Independent Shareholders, in relation to, among other matters, the revision of the Original Annual Caps set for the Transactions under the GC Master Agreement.

As at the date of this announcement, AEON Credit is a connected person of the Company by virtue of it being a subsidiary of AEON Co, the controlling shareholder of the Company. Accordingly, the Transactions under the GC Master Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

According to Rule 14A.54(1) of the Listing Rules, if the Company proposes to revise the annual caps for its continuing connected transactions, the Company will re-comply with the provisions of Chapter 14A of the Listing Rules applicable to the relevant continuing connected transactions.

As the highest of the applicable percentage ratios in respect of the Revised Annual Caps is more than 5% on an annual basis, the Transactions under the GC Master Agreement are subject to the reporting, announcement and Independent Shareholders' approval requirements and the annual review requirements under Chapter 14A of the Listing Rules.

An EGM will be convened at which the Independent Shareholders will consider and, where appropriate, approve the Revised Annual Caps for the Transactions under the GC Master Agreement. A circular containing, amongst other things, (i) further information of the Revised Annual Caps; (ii) a letter from the Independent Board Committee to the Independent Shareholders containing its recommendation in respect of the Revised Annual Caps; (iii) a letter of advice from the independent financial adviser to the Independent Board Committee and the Independent Shareholders in respect of the Revised Annual Caps; and (iv) a notice of the EGM with the proxy form is expected to be despatched to the Shareholders on or before 2 October 2026.

CONTINUING CONNECTED TRANSACTIONS

Reference is made to the circular of the Company dated 25 February 2025 (the "**Circular**") relating to, inter alia, the GC Master Agreement, pursuant to which AEON Credit may from time to time place purchase orders with the Company for the AEON Stores Gift Certificates. Upon acceptance of the order and receipt of payment, the Company will issue the AEON Stores Gift Certificates in such quantity corresponding to the amount of payment received from AEON Credit. Upon collection by AEON Credit, the AEON Stores Gift Certificates shall be non-returnable, non-refundable and non-exchangeable for cash. Independent Shareholders' approvals for the continuing connected transaction and the Original Annual Caps assigned under the GC Master Agreement had been obtained by the Company at the extraordinary general meetings of the Company held on 13 March 2025. Unless otherwise specified, capitalised terms used herein shall have the same meaning defined in the Circular.

According to the recent review by the Board on its Transactions under the GC Master Agreement, there is a growing demand for AEON Stores Gift Certificates from the Cardholders for redemption under the AEON Bonus Point Program, which increases at a rate beyond the Company's earlier estimation. The Board expects that the annual caps of HK$31.0 million, HK$34.0 million, HK$6.0 million for the two years ending 31 December 2026 and 2027, and two months period ending 29 February 2028 (the "**Original Annual Caps**") may not be sufficient to meet its business needs and propose such annual caps be revised and increased to the revised annual caps of HK$34.3 million, HK$42.4 million and HK$7.3 million for the two years ending 31 December 2026 and 2027, and two months period ending 29 February 2028 (the "**Revised Annual Caps**").

Taking into account the anticipated transformation of the AEON Bonus Point Program that is expected to, among other things, permit earning of bonus points from AEON Credit as well as other participating merchants, the Board would like to propose to seek the approval of the Independent Shareholders, in relation to, among other matters, the revision of the Original Annual Caps set for the Transactions under the GC Master Agreement.

Save for the revision of the Original Annual Caps, all other terms and conditions under the GC Master Agreement remain unchanged and in full force and effect.

HISTORICAL TRANSACTION AMOUNT

Based on the Group's management accounts, the unaudited aggregate consideration received and receivable by the Company from AEON Credit for the Transactions under the GC Master Agreement for the five months period ended 31 May 2026 is approximately HK$12.95 million. As at the date of this announcement, the Original Annual Caps for the year ending 31 December 2026 has not been exceeded.

REVISION OF THE ORIGINAL ANNUAL CAPS

The table below sets out the aggregate amount of the Original Annual Caps and the Revision Annual Caps for the consideration received and receivable by the Company from AEON Credit under the GC Master Agreement for the two years ending 31 December 2027 and two months period ending 29 February 2028:

	Year ending 31 December 2026 *HK$ million*	**Year ending 31 December 2027** *HK$ million*	**Two months period ending 29 February 2028** *HK$ million*
Original Annual Caps	31	34	6
Revised Annual Caps	34.3	42.4	7.3

The Revised Annual Caps have been determined with reference to the historical transaction amount, together with the various current factors contributing to the rise in the demand for AEON Stores Gift Certificates, which include, among others, (i) increase in the number of active Cardholders using the credit cards issued by AEON Credit for conducting payment transactions, and in the aggregate amount of such payment transactions; (ii) increase in the Cardholders' engagement with the AEON Bonus Point Program, and, accordingly, the bonus point redemption rate; and (iii) potential increase in the number of bonus points to be awarded because of new earning sources besides the Company following the anticipated transformation of the AEON Bonus Point Program. Since AEON Credit, being the purchaser, is in a better position than the Company in assessing its needs of the AEON Stores Gift Certificates, AEON Credit's proposed annual caps are thus regarded as AEON Credit's estimated maximum purchase amounts for the two years ending 31 December 2027 and two months period ending 29 February 2028. Adjustments and buffer have been made to cater for the difference in financial year of the Company and AEON Credit. Since the purchase of the AEON Stores Gift Certificates is initiated and controlled by AEON Credit and with the adoption of the tier discount rates, more weight should be given to AEON Credit's proposed annual caps for the GC Master Agreement.

REASONS FOR REVISION OF THE ORIGINAL ANNUAL CAPS

The Company believes that, while there is a range of rewards other than AEON Stores Gift Certificates under the AEON Bonus Point Program, it remains in the interest of the Company to provide sufficient AEON Stores Gift Certificates as one of the rewards of choice for Cardholders' redemption, thereby sustaining customer engagement and business growth for the Group. Moreover, based on factors mentioned above, there is a growing demand for AEON Stores Gift Certificates from the Cardholders for redemption under the AEON Bonus Point Program following the digitalisation of AEON Stores Gift Certificates and more joint promotional activities of the Company and AEON Credit, which increases at a rate beyond the Company's earlier estimation. Accordingly, the aggregate consideration to be received by the Company from AEON Credit for the Transactions under the GC Master Agreement are expected to be higher than the level envisaged at the time when the parties entered into the GC Master Agreement. In light of this, the Board proposes the Revised Annual Caps in place of the Original Annual Caps.

The Directors (including the independent non-executive Directors) consider that the Transactions under the GC Master Agreement and the Revised Annual Caps are on normal commercial terms or better, arise in the ordinary and usual course of business of the Company, are fair and reasonable and in the interests of the Company and its shareholders as a whole. In the event that any of these caps is exceeded, the Company will re-comply with its obligations under the Listing Rules.

INFORMATION ABOUT THE PARTIES

The Group is principally engaged in the operation of general merchandise stores in Hong Kong and the PRC.

AEON Credit is principally engaged in the provision of consumer finance services, which include the issuance of credit cards and the provision of personal loan financing, payment processing services, insurance intermediary business and microfinance business.

LISTING RULES IMPLICATIONS

As at the date of this announcement, AEON Credit is a connected person of the Company by virtue of it being a subsidiary of AEON Co, the controlling shareholder of the Company. Accordingly, the Transactions under the GC Master Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

According to Rule 14A.54(1) of the Listing Rules, if the Company proposes to revise the annual caps for its continuing connected transactions, the Company will re-comply with the provisions of Chapter 14A of the Listing Rules applicable to the relevant continuing connected transactions.

As the highest of the applicable percentage ratios in respect of the Revised Annual Caps is more than 5% on an annual basis, the Transactions under the GC Master Agreement are subject to the reporting, announcement and Independent Shareholders' approval requirements and the annual review requirements under Chapter 14A of the Listing Rules.

An EGM will be convened at which the Independent Shareholders will consider and, where appropriate, approve the Revised Annual Caps for the Transactions under the GC Master Agreement.

FORMATION OF AN INDEPENDENT BOARD COMMITTEE AND APPOINTMENT OF INDEPENDENT FINANCIAL ADVISER

An Independent Board Committee comprising Mr. Hideto Mizuno, Ms. Shum Wing Ting and Ms. Wong Mei Ling, each an independent non-executive Director with no material interest in the Transactions under the GC Master Agreement and the Revised Annual Caps, has been established to advise the Independent Shareholders as to whether the terms of the GC Master Agreement in respect of the Revised Annual Caps and the Transactions under the GC Master Agreement are fair and reasonable and are in the interests of the Company and its Shareholders as a whole, and to advise the Independent Shareholders as to how to vote at the EGM.

First Global Corporate Finance Co., Limited has been appointed as the Independent Financial Adviser of the Company to advise the Independent Board Committee and the Independent Shareholders in this respect.

EGM

The Company will convene the EGM to consider and, if thought fit, to approve, among other things, the Revised Annual Caps and the Transactions under the GC Master Agreement. In view of AEON Co's interests in the GC Master Agreement, AEON Co, which as at the date of this announcement beneficially holds 155,760,000 shares in the Company (representing approximately 59.91% of the issued shares in the Company), and its associates (namely, AEON Credit, which is a subsidiary of AEON Co and as at the date of this announcement is a beneficial owner of 1,776,000 shares in the Company, representing approximately 0.68% of the issued shares in the Company) are required to abstain and shall abstain from voting on the ordinary resolutions to be proposed at the EGM to approve the Revised Annual Caps and the Transactions under the GC Master Agreement.

As such, AEON Co and AEON Credit, which (i) in aggregate beneficially own and control 157,536,000 shares in the Company (representing approximately 60.59% of the issued shares in the Company) and (ii) are entitled to exercise control over the voting rights in respect of their respective shares in the Company, shall abstain from voting at the EGM under the Listing Rules.

Mr. Takenori Nagashima, Mr. Shinya Hisanaga, Mr. Yasutoshi Yokochi, Mr. Tsukasa Konno and Mr. Wei Aiguo are regarded as potentially having a material interest in the Revised Annual Caps and the Transactions under the GC Master Agreement. Accordingly, they have abstained from voting on the relevant resolutions at the Board meeting convened to consider the Revised Annual Caps and the Transactions under the GC Master Agreement. For the same reasons, Mr. Takenori Nagashima (who as at the date of this announcement beneficially holds 12,000 shares in the Company, representing approximately 0.00462% of this issued shares in the Company) and Mr. Shinya Hisanaga (who as at the date of this announcement beneficially holds 30,000 shares in the Company, representing approximately 0.01154% of the issued shares in the Company) will also abstain from voting on the relevant resolutions as shareholders of the Company at the EGM. Save as disclosed above, to the best of the Directors' knowledge, information and belief, having made all reasonable enquires, no Shareholders will be required to abstain from voting on the relevant resolutions approving the Revised Annual Caps and the Transactions under the GC Master Agreement at the EGM.

CIRCULAR

A circular containing, amongst other things, (i) further information of the Revised Annual Caps; (ii) a letter from the Independent Board Committee to the Independent Shareholders containing its recommendation in respect of the Revised Annual Caps; (iii) a letter of advice from the independent financial adviser to the Independent Board Committee and the Independent Shareholders in respect of the Revised Annual Caps; and (iv) a notice of the EGM with the proxy form is expected to be despatched to the Shareholders on or before 2 October 2026.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following respective meaning:

"AEON Bonus Point Program"	the incentive programme run by the AEON Credit for the Cardholders to earn bonus points for the eligible payment transactions settled with specified credit cards issued by AEON Credit, and to use such bonus points for redeeming from among a range of available rewards such as AEON Stores Gift Certificates, among others
"AEON Co"	AEON Co., Ltd., a company incorporated in Japan with limited liability, the issued shares of which are listed on the Tokyo Stock Exchange
"AEON Credit"	AEON Credit Service (Asia) Co., Ltd., a company incorporated in Hong Kong with limited liability whose shares are listed on the Stock Exchange (stock code: 900), which is a subsidiary of AEON Co
"AEON Stores Gift Certificates"	the cash certificates issued by the Company, either in printed form or in electronic format, with its value and expiry date marked thereon and readily accepted by the Company as cash equivalents for settling transactions in its stores within its validity of one (1) to two (2) years from issuance and subject to such conditions printed thereon, which may be amended by the Company from time to time in its sole and absolute discretion
"Board"	the board of Directors of the Company

"Cardholders"	customers of the Company who hold one or more credit cards issued by AEON Credit
"Circular"	the circular of the Company dated 25 February 2025 relating to, inter alia, the GC Master Agreement, pursuant to which AEON Credit may from time to time place purchase orders with the Company for the AEON Stores Gift Certificates
"Company"	AEON Stores (Hong Kong) Co., Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Stock Exchange (stock code: 984)
"connected person"	has the meaning ascribed thereto under the Listing Rules
"controlling shareholder"	has the meaning ascribed thereto under the Listing Rules
"Director(s)"	the directors of the Company
"Effective Date"	the effective date of the GC Master Agreement, being 1 March 2025
"EGM"	an extraordinary general meeting or any adjournment thereof of the Company to be convened for the purpose of considering, and if thought fit, approving, inter alia, the Revised Annual Caps and the Transactions under the GC Master Agreement
"GC Master Agreement"	the Master Agreement — Gift Certificate conditionally entered into between the Company and AEON Credit on 19 February 2025
"Group"	the Company and its subsidiaries
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Independent Board Committee"	an independent board committee comprising all independent non-executive Directors, namely Mr. Hideto Mizuno, Ms. Shum Wing Ting and Ms. Wong Mei Ling
"Independent Financial Adviser"	First Global Corporate Finance Co., Limited, a licensed corporation under the SFO to carry out Type 6 (advising on corporate finance) regulated activity under the SFO, being the independent financial adviser appointed by the Company to advise the Independent Board Committee and the Independent Shareholders in respect of the Revised Annual Caps and the Transactions under the GC Master Agreement

"Independent Shareholders"	Shareholder(s) other than those who have a material interest in the GC Master Agreement
"Original Annual Caps"	the existing annual caps for the Transactions under the GC Master Agreement as disclosed in the Circular
"PRC"	the People's Republic of China, which, for the purpose of this announcement, excludes Hong Kong, the Macao Special Administrative Region of the PRC and Taiwan
"Revised Annual Caps"	the revised annual caps for the GC Master Agreement for the two years ending 31 December 2026 and 2027, and two months period ending 29 February 2028
"Shareholders"	the holders of the shares of the Company from time to time
"Stock Exchange"	the Stock Exchange of Hong Kong Limited
"Transactions"	the transactions between the Company and AEON Credit for sale and purchase of AEON Stores Gift Certificates

By Order of the Board of
AEON Stores (Hong Kong) Co., Limited
Tsukasa KONNO
Chairman

Hong Kong, 10 September 2026

As at the date of this announcement, the Executive Directors are Mr. Takenori Nagashima and Mr. Shinya Hisanaga; the Non-executive Directors are Mr. Tsukasa Konno, Mr. Wei Aiguo and Mr. Yasutoshi Yokochi; and the Independent Non-executive Directors are Mr. Hideto Mizuno, Ms. Shum Wing Ting and Ms. Wong Mei Ling.