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If you have sold or transferred all your shares in AEON Stores (Hong Kong) Co., Limited, you should at once hand this circular and the enclosed proxy form to the purchaser or the transferee or to the bank, licensed securities dealer or other agent through whom the sale or the transfer was effected for transmission to the purchaser of the transferee.

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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)

**(1) REVISION OF ANNUAL CAPS FOR CONTINUING CONNECTED
TRANSACTIONS IN RELATION TO THE GC MASTER AGREEMENT
AND
(2) NOTICE OF EXTRAORDINARY GENERAL MEETING**

**Independent financial adviser to
the Independent Board Committee and Independent Shareholders**



First Global Corporate Finance Co., Limited

Capitalised terms used in this cover page shall have the same meanings as those defined in the section headed "Definitions" in this circular.

A letter from the Board is set out on pages 4 to 10 of this circular. A letter of advice from the Independent Board Committee is set out on page 11 of this circular. A letter of advice of First Global Corporate Finance Co., Limited, the Independent Financial Adviser, containing its opinion and advice to the Independent Board Committee and the Independent Shareholders is set out on pages 12 to 24 of this circular.

A notice convening the extraordinary general meeting of the Company to be held at Function Room, Units 07–11, 26 Floor, CDW Building, 388 Castle Peak Road, Tsuen Wan, New Territories on Thursday, 29 October 2026 at 9:00 a.m. is set out on pages 30 to 31 of this circular. Whether or not you are able to attend and vote at the extraordinary general meeting, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return it to the Company's share registrar, Tricor Investor Services Limited, at 17 Floor, Far East Finance Centre, 16 Harcourt Road, Hong Kong, as soon as possible and in any event not later than 48 hours before the time appointed for the holding of the extraordinary general meeting or any adjournment thereof. Completion and return of the form of proxy as instructed will not preclude you from subsequently attending and voting in person at the extraordinary general meeting or any adjourned meeting if you so wish.

Reference to time and dates in this circular are to Hong Kong time and dates.

9 October 2026

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DEFINITIONS

In this circular, the following expressions have the following meanings unless the context otherwise requires:

“2025 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
“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
“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
“Cardholders”	customers of the Company who hold one or more credit cards issued by AEON Credit
“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

DEFINITIONS

“Director(s)”	the directors of the Company
“Effective Date”	the effective date of the GC Master Agreement, being 1 March 2025
“EGM”	the extraordinary general meeting of Shareholders (and any adjournment thereof) to be held to consider, among other matters, the resolutions relating to the Revised Annual Caps and the Transactions under the GC Master Agreement, which is scheduled to be held at Function Room, Units 07–11, 26 Floor, CDW Building, 388 Castle Peak Road, Tsuen Wan, New Territories on Thursday, 29 October 2026 at 9:00 a.m.
“EGM Notice”	the notice included in this circular in respect of the EGM to consider and, if thought fit, approve 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
“Latest Practicable Date”	6 October 2026, being the latest practicable date prior to the printing of this circular for ascertaining certain information herein

DEFINITIONS

“Listing Rules”	the Rules Governing the Listing of Securities on Stock Exchange
“Original Annual Caps”	the existing annual caps for the Transactions under the GC Master Agreement as disclosed in the 2025 Circular
“PRC”	the People’s Republic of China, which, for the purpose of this circular, 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
“SFO”	The Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“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
“%”	per cent.



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)

Executive Directors:

Mr. Takenori NAGASHIMA (*Managing Director*)

Mr. Shinya HISANAGA

Non-executive Directors:

Mr. Tsukasa KONNO (*Chairman*)

Mr. WEI Aiguo

Mr. Yasutoshi YOKOCHI

Registered office:

G-4 Floor

Kornhill Plaza (South)

2 Kornhill Road

Hong Kong

Independent Non-executive Directors:

Mr. Hideto MIZUNO

Ms. SHUM Wing Ting

Ms. WONG Mei Ling

9 October 2026

To the Shareholders

Dear Sir or Madam,

**(1) REVISION OF ANNUAL CAPS FOR CONTINUING CONNECTED
TRANSACTIONS IN RELATION TO THE GC MASTER AGREEMENT
AND
(2) NOTICE OF EXTRAORDINARY GENERAL MEETING**

INTRODUCTION

Reference is made to the 2025 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 meeting of the Company held on 13 March 2025. Unless otherwise specified, capitalised terms used herein shall have the same meaning defined in the 2025 Circular.

LETTER FROM THE BOARD

The purpose of this circular is to provide you with (i) further information on the Revised Annual Caps; (ii) the letter of recommendation from the Independent Board Committee to the Independent Shareholders; (iii) the letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders; (iv) the notice of the EGM; and (v) other information as required under the Listing Rules.

The principal terms of the GC Master Agreement, which have been disclosed in the 2025 Circular, shall remain unchanged and a summary of which is set out as follows:

THE GC MASTER AGREEMENT

The principal terms of the GC Master Agreement are as follows:

Date: 19 February 2025

Parties: (i) the Company (as seller); and
(ii) AEON Credit (as purchaser).

Nature of Transactions: 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.

Pricing: The AEON Stores Gift Certificates shall be sold by the Company to AEON Credit at face value less the applicable tier discount rate, ranging from 2% to 5%, and in accordance with the annual accumulated purchase amount in each contract year, being each period of 12 months commencing either on the Effective Date or subsequent anniversary thereof. The tier discount rate has been determined after arm's length negotiations with AEON Credit, after taking into account the Company's similar arrangements and agreements (in particular the tier discount rate thereunder) in providing the AEON Stores Gift Certificates to the Company's other business partners who are also offering the AEON Stores Gift Certificates to their customers for redemption with an aim to increase the attractiveness of the AEON Stores Gift Certificates and to provide incentive for AEON Credit to enhance the redemption of the AEON Stores Gift Certificates by its customers and cardholders.

LETTER FROM THE BOARD

Non-exclusivity:	The Company or AEON Credit shall not be prohibited or restricted from selling, purchasing, giving or receiving the AEON Stores Gift Certificates to or from any third party during the term of the GC Master Agreement or after its termination.
Duration:	Subject to the fulfilment of the Condition Precedents, the term of the GC Master Agreement shall be a period of three years commencing on the Effective Date, i.e. from 1 March 2025 to 29 February 2028. The parties to the GC Master Agreement may, subject to compliance with the Listing Rules, renew the GC Master Agreement. If the Condition Precedents have not been fulfilled as certified by the respective party, the GC Master Agreement shall immediately terminate and the parties shall have no claims thereunder save as to any antecedent breach.
Effective Date:	1 March 2025 whereas sale of the AEON Stores Gift Certificates will only be made after fulfillment of the Condition Precedent.
Termination:	Either party may terminate the GC Master Agreement by giving not less than ninety (90) days' prior written notice to the other party.

REVISION OF ANNUAL CAPS

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 by the Cardholders 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.

LETTER FROM THE BOARD

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 eight months period ended 31 August 2026 is approximately HK\$19.8 million. The transaction amount for the Transactions under the GC Master Agreement is not expected to exceed the Original Annual Caps prior to the EGM.

REVISION OF THE ORIGINAL ANNUAL CAPS

The table below sets out the aggregate amount of the Original Annual Caps and the Revised 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 2026 and 2027 and two months period ending 29 February 2028:

	Year ending 31 December 2026 <i>HK\$ million</i>	Year ending 31 December 2027 <i>HK\$ million</i>	Two months period ending 29 February 2028 <i>HK\$ million</i>
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. Based on the Group's management accounts, the unaudited aggregate consideration received and receivable by the Company from AEON Credit under the GC Master Agreement was approximately HK\$19.8 million for the eight months ended 31 August 2026. This represents approximately 63% of the Original Annual Cap of HK\$31.0 million for the year ending 31 December 2026. Based on projection on annualised basis, the year-to-date amount implies approximately HK\$29.7 million for the year ending 31 December 2026, which would be close to the Original Annual Cap. As at the Latest Practicable Date, the Original Annual Cap for the year ending 31 December 2026 has not been exceeded. 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. For details, please refer to the announcement of AEON Credit dated 23 December 2025. Adjustments and buffer have been made to cater for the difference in financial year of the

LETTER FROM THE BOARD

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.

At a Board meeting convened to consider the Revised Annual Caps, Mr. Takenori Nagashima, Mr. Shinya Hisanaga, Mr. Yasutoshi Yokochi, Mr. Tsukasa Konno and Mr. Wei Aiguo were regarded as potentially having a material interest in the GC Master Agreement and accordingly they are required to abstain from voting on the relevant board resolutions.

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 Latest Practicable Date, 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.

LETTER FROM THE BOARD

According to Rule 14A.54(1) of the Listing Rules, the Company must re-comply with the provisions of Chapter 14A of the Listing Rules applicable to the relevant continuing connected transactions before the Original Annual Caps are exceeded.

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.

INDEPENDENT BOARD COMMITTEE AND 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 formed to advise the Independent Shareholders on the Revised Annual Caps.

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 the same regard.

Accordingly, your attention is drawn to the letter from the Independent Board Committee set out on page 11 of this circular, which contains its recommendation to the Independent Shareholders, and the letter from the Independent Financial Adviser set out on pages 12 to 24 of this circular, which contains its advice to the Independent Board Committee and the Independent Shareholders.

EGM

The Company will convene an EGM to seek approval from the Independent Shareholders in respect of the Revised Annual Caps for the Transactions under the GC Master Agreement. At the EGM, an ordinary resolution approving the Revised Annual Caps for the Transactions under the GC Master Agreement shall be proposed and, if thought fit, approved by the Independent Shareholders.

In view of AEON Co's interests in the GC Master Agreement, AEON Co, which as at the Latest Practicable Date 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 Latest Practicable Date 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 resolution to be proposed at the EGM to approve the Revised Annual Caps for 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.

LETTER FROM THE BOARD

Mr. Takenori Nagashima, Mr. Shinya Hisanaga, Mr. Yasutoshi Yokochi, Mr. Tsukasa Konno and Mr. Wei Aiguo were regarded as potentially having a material interest in 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 for the Transactions under the GC Master Agreement. For the same reason, Mr. Takenori Nagashima (who as at the Latest Practicable Date beneficially holds 12,000 shares in the Company, representing approximately 0.00462% of the issued shares in the Company) and Mr. Shinya Hisanaga (who as at the Latest Practicable Date 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 resolution as Shareholders at the EGM. Apart from the above persons, the Directors are not aware of any other Shareholders who are required to abstain from voting on the resolutions at the EGM.

A notice convening the EGM to be held at Function Room, Units 07–11, 26 Floor, CDW Building, 388 Castle Peak Road, Tsuen Wan, New Territories on Thursday, 29 October 2026 at 9:00 a.m. is set out on pages 30 to 31 of this circular.

A form of proxy for the EGM is enclosed herewith. Whether or not Shareholders are able to attend and vote at the EGM in person, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return it to the Company's share registrar, Tricor Investor Services Limited, at 17 Floor, Far East Finance Centre, 16 Harcourt Road, Hong Kong, as soon as possible and in any event not later than 48 hours before the time appointed for the holding of the EGM or any adjournment thereof. Completion and return of the form of proxy as instructed will not preclude Shareholders from subsequently attending and voting at the meeting or any adjourned meeting if you so wish.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Monday, 26 October 2026 to Thursday, 29 October 2026, both days inclusive, for the purpose of determining Shareholders' entitlement to attend and vote at the EGM, during which period no transfer of Shares will be registered. In order to qualify for attending and voting at the EGM, Shareholders should ensure that all transfer documents, accompanied by the relevant share certificates, are lodged with the Company's share registrar, Tricor Investor Services Limited, at 17 Floor, Far East Finance Centre, 16 Harcourt Road, Hong Kong, by no later than 4:30 p.m. on Friday, 23 October 2026.

FURTHER INFORMATION

Your attention is drawn to the additional information set out in the Appendix to this circular.

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



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)

9 October 2026

To the Independent Shareholders

Dear Sir or Madam,

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

We refer to the circular dated 9 October 2026 issued by the Company (the “**Circular**”), of which this letter forms part. Terms used in this letter shall bear the same meanings as given to them in the Circular unless the context otherwise requires.

In compliance with the Listing Rules, we have been appointed to advise the Independent Shareholders on the Revised Annual Caps for the Transactions under the GC Master Agreement. In this connection, First Global Corporate Finance Co., Limited has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in the same regard.

We wish to draw your attention to the letter from the Board set out on page 11 of the Circular, and the letter from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders set out on pages 12 to 24 of the Circular which contains its opinion in respect of the Revised Annual Caps for the Transactions under the GC Master Agreement.

Having taken into account the advice of the Independent Financial Adviser and its recommendation in relation thereto, we consider that the Revised Annual Caps and the Transactions contemplated under the GC Master Agreement are conducted by the Company in its ordinary and usual course of business, are on normal commercial terms, are in the interests of the Company and the Shareholders as a whole and are fair and reasonable so far as the Independent Shareholders are concerned. Accordingly, we recommend that you vote in favour of the relevant resolution set out in the notice of the EGM.

Yours faithfully,
the Independent Board Committee

Hideto Mizuno
Independent non-executive Director

Shum Wing Ting
Independent non-executive Director

Wong Mei Ling
Independent non-executive Director

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

The following is the full text of a letter of advice from First Global Corporate Finance Co., Limited, the independent financial adviser to the Independent Board Committee and the Independent Shareholders in respect of the Revised Annual Caps for the continuing connected transactions contemplated under the GC Master Agreement, which has been prepared for the purpose of incorporation in this circular.



Room 1706–07, 17/F
China Insurance Group Building
No.141 Des Voeux Road Central
Central, Hong Kong

9 October 2026

To: The Independent Board Committee and the Independent Shareholders

Dear Sir or Madam,

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

INTRODUCTION

We refer to our appointment as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the Revised Annual Caps for the continuing connected transactions contemplated under the GC Master Agreement, details of which are set out in the letter from the Board (the “**Letter from the Board**”) contained in the circular dated 9 October 2026 issued by the Company to the Shareholders (the “**Circular**”), of which this letter forms part. Terms used in this letter shall have the same meanings as defined in the Circular unless the context requires otherwise.

On 19 February 2025, the Company and AEON Credit entered into 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 for a term of three years commencing from 1 March 2025 and ending on 29 February 2028. As AEON Credit is a connected person of the Company by virtue of it being a subsidiary of AEON Co, which in turn is the controlling shareholder of the Company, the transactions contemplated thereunder constitute continuing connected transactions of the Company.

According to the recent review by the Board on the Transactions under the GC Master Agreement. In view of the growing demand for AEON Stores Gift Certificates from the Cardholders for redemption under the AEON Bonus Point Program and the anticipated transformation of the AEON Bonus Point Program, the Original Annual Caps are expected to be insufficient. The Directors therefore resolved to revise the Original Annual Caps to the Revised Annual Caps.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

LISTING RULES IMPLICATIONS

As at the Latest Practicable Date, AEON Credit is a connected person of the Company by virtue of it being a subsidiary of AEON Co, which in turn is the controlling shareholder of the Company. Accordingly, the transactions contemplated under the GC Master Agreement constitute continuing connected transactions of the Company under the Listing Rules.

According to Rule 14A.54 of the Listing Rules, as the Company proposes to revise the Original Annual Caps for the GC Master Agreement, the Company is required to re-comply with the provisions of Chapter 14A of the Listing Rules applicable to the relevant continuing connected transactions before the Original Annual Caps are exceeded.

As the highest applicable percentage ratio as defined under Rule 14.07 of the Listing Rules for the Revised Annual Caps exceeds 5% on an annual basis, the Revised Annual Caps and the transactions contemplated under the GC Master Agreement are subject to the reporting, announcement, Independent Shareholders' approval and annual review requirements under Chapter 14A of the Listing Rules.

THE INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER

The Independent Board Committee comprising all the independent non-executive Directors, namely Mr. Hideto Mizuno, Ms. Shum Wing Ting and Ms. Wong Mei Ling, has been established to advise the Independent Shareholders in respect of the Revised Annual Caps, on whether the terms are fair and reasonable and in the interests of the Company and the Shareholders as a whole, and to advise the Independent Shareholders on how to vote at the EGM, after taking into account the recommendations of the Independent Financial Adviser.

We, First Global Corporate Finance Co., Limited ("**First Global**"), have been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in this regard. First Global is a licensed corporation licensed under the Securities and Futures Ordinance ("**SFO**") to carry out Type 6 (advising on corporate finance) regulated activity. Ms. Wendy Liu ("**Ms. Liu**") is the person signing off the opinion letter from First Global contained in this Circular. Ms. Liu has been a responsible officer of Type 6 (advising on corporate finance) regulated activity under the SFO since 2014. Ms. Liu has participated in and completed various independent financial advisory transactions in Hong Kong.

OUR INDEPENDENCE

First Global was engaged as the independent financial adviser pursuant to Rule 14A.52 of the Listing Rules in relation to (i) a continuing connected transaction of the Company involving a tenancy agreement with a term in excess of three years (details of which were set out in the Company's announcement dated 24 June 2025); and (ii) the revision of annual caps for the continuing connected transactions in relation to the 2026 Master Agreement with AGMd (details of which were set out in the Company's circular dated 9 September 2026) (collectively, the "**Previous Engagements**").

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

During the past two years immediately preceding the Latest Practicable Date, save for the Previous Engagements and this engagement of us as the Independent Financial Adviser, no other relationship has been formed and no direct engagement has been performed between the Group, AEON Credit and their respective close associates or core connected persons and us. As at the Latest Practicable Date, we did not have any relationship with, or interest in, the Group, AEON Credit, or a close associate or core connected person of any of them and us, or other parties that could reasonably be regarded as relevant to our independence. Apart from the normal advisory fee payable to us in connection with our engagement as the Independent Financial Adviser, no arrangement exists whereby we shall receive any other fees or benefits from the Company and its subsidiaries or their respective substantial shareholders or any party acting in concert, or presumed to be acting in concert, with any of them. Accordingly, we considered that we are independent to act as the Independent Financial Adviser in respect of the GC Master Agreement and the transactions contemplated thereunder pursuant to Rule 14A.44 of the Listing Rules.

BASIS OF OUR OPINION

In formulating our opinion and recommendation to the Independent Board Committee and the Independent Shareholders, we have relied on the information and facts supplied, opinions expressed, statements and representations made to us by the management of the Group (including but not limited to those contained or referred to in the Circular). We have reviewed the documents including but not limited to: (i) the Circular and the Letter from the Board contained therein; (ii) the GC Master Agreement; (iii) the circular of the Company dated 25 February 2025 in relation to the GC Master Agreement (the “**Previous Circular**”); (iv) the announcement of the Company dated 10 September 2026 in relation to the Revised Annual Caps (the “**Announcement**”); (v) the annual report of the Company for the year ended 31 December 2025 (the “**2025 Annual Report**”) and 31 December 2024 (the “**2024 Annual Report**”); (vi) the interim report of the Company for the six month ended 30 June 2026 (the “**2026 Interim Report**”); (vii) the announcement of AEON Credit dated 23 December 2025 in relation to the revision of annual caps for the purchase of AEON Stores Gift Certificates (“**AEON Credit Announcement**”); and (viii) the relevant supporting documents in respect of the Revised Annual Caps provided by the Company, to formulate our opinion and recommendation. We have assumed that the information and facts supplied, opinions expressed, statements and representations made to us by the management of the Group were true, accurate and complete at the time they were made and continue to be true, accurate and complete in all material aspects until the date of the EGM. The Shareholders will be informed should there be any material change of information in the Circular up to the date of the EGM. We have also assumed that all statements of belief, opinions, expectation and intention made by the management of the Group in the Circular were reasonably made after due enquiry and careful consideration. Where applicable, we have also conducted independent desktop search and confirmed that there was no material difference between our search result and the information and facts supplied, opinions expressed, statements and representations made to us by the management of the Group. We have no reason to suspect that any material facts or information have been withheld from us, or to doubt the truth, accuracy and completeness of the information and facts contained in the Circular, or the reasonableness of the opinions expressed by the Company, its management and/or advisers, which have been provided to us.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

The Directors have collectively and individually accepted full responsibility of the Circular and have confirmed, having made all reasonable enquiries, that to the best of their knowledge and belief the information contained in the Circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or the Circular misleading. We, as the Independent Financial Adviser, take no responsibility for the contents of any part of the Circular, save and except for this letter of advice.

We considered that we have been provided with sufficient information to reach an informed view and to provide a reasonable basis for our opinion. We have not, however, conducted any independent in-depth investigation into the business and affairs or future prospects of the Group, or their respective shareholders, subsidiaries or associates, nor have we considered the taxation implication on the Group or the Shareholders as a result of the GC Master Agreement and the transactions contemplated thereunder. Our opinion is necessarily based on the market, financial, economic and other conditions in effect and the information made available to us as at the Latest Practicable Date. Nothing contained in this letter of advice should be construed as a recommendation to hold, sell or buy any Shares or any other securities of the Company.

PRINCIPAL FACTORS AND REASONS CONSIDERED

In formulating our opinion in respect of the proposed Revised Annual Caps under the GC Master Agreement, we have considered the following principal factors and reasons:

I. Background of the Group

(i) *Background information of the Group*

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

(ii) *Historical financial performance and position of the Group*

The following table sets out key consolidated financial information of the Group for the six month ended 30 June 2026 (“1H2026”), 2025 (“1H2025”), the year ended 31 December 2025 (the “FY2025”), 2024 (the “FY2024”) and 2023 (the “FY2023”) as extracted from the 2026 Interim Report, the 2025 Annual Report and the 2024 Annual Report of the Company:

	1H2026	1H2025	FY2025	FY2024	FY2023
	(unaudited)	(unaudited)	(audited)	(audited)	(audited)
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Revenue	3,859,506	3,930,714	7,795,154	8,095,338	8,692,870
Net Loss	(274,522)	(226,372)	(354,054)	(340,721)	(187,802)

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Discussion on the Group's financial performance for 1H2026 as compared with that for 1H2025

The Group generated revenue of approximately HK\$3,859.5 million during 1H2026, representing a decrease of approximately 1.8% as compared to 1H2025 of approximately HK\$3,930.7 million. The loss attributable to owners of the Company for 1H2026 was approximately HK\$239 million, representing an increase of loss of approximately 10.0% as compared to 1H2025 loss of approximately HK\$217.4 million, which was mainly due to increase in staff cost of approximately HK\$474.5 million recognised in 1H2026 (1H2025: staff cost of approximately HK\$417.9 million).

Discussion on the Group's financial performance for FY2025 as compared with that for FY2024

The Group generated revenue of approximately HK\$7,795.2 million during FY2025, representing a decrease of approximately 3.7% as compared to FY2024 of approximately HK\$8,095.3 million. The gross profit margin of the Group dropped from approximately 28.9% in FY2024 to approximately 28.4% in FY2025, mainly due to the decrease in revenue. The loss attributable to owners of the Company for FY2025 was approximately HK\$324.4 million, representing a decrease of approximately 4.0% as compared to FY2024 loss of approximately HK\$338.1 million, which was mainly due to the exchange gain of approximately HK\$24.9 million recognised in FY2025 (FY2024: exchange loss of approximately HK\$5.9 million) and the decrease in impairment loss in respect of property, plant and equipment to approximately HK\$0.2 million (FY2024: approximately HK\$2.2 million), partially offset by the decrease in revenue and other income.

Discussion on the Group's financial performance for FY2024 as compared with that for FY2023

The Group generated revenue of approximately HK\$8,095.3 million during FY2024, representing a decrease of approximately 6.9% as compared to FY2023 of approximately HK\$8,692.9 million. The gross profit margin of the Group dropped from approximately 29.2% in FY2023 to approximately 28.9% in FY2024. The loss attributable to owners of the Company for FY2024 was approximately HK\$338.1 million, representing a significant increase of approximately 79.2% as compared to FY2023 loss of approximately HK\$188.7 million, which was mainly due to the decrease in revenue, the recognition of an exchange loss of approximately HK\$5.9 million (FY2023: exchange gain of approximately HK\$6.1 million), and the increase in expenses related to leases as a result of new lease agreements and lease modifications during the year, while impairment loss in respect of property, plant and equipment remained at approximately HK\$2.2 million.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Set out below is a summary of the consolidated statement of financial position of the Group:

	As at 30 June 2026 HK\$'000	As at 31 December 2025 HK\$'000	As at 31 December 2024 HK\$'000	As at 31 December 2023 HK\$'000
Total Assets	4,749,949	4,909,641	5,455,315	5,579,006
Total Liabilities	(6,001,050)	5,695,526	5,886,056	5,673,433
Net Liabilities	(1,251,101)	(785,885)	(430,741)	(94,427)

Discussion on the Group's financial position as at 31 December 2025 as compared with that as at 31 December 2024

The total assets of the Group were approximately HK\$4,749.9 million and HK\$4,909.6 million as at 30 June 2026 and 31 December 2025, respectively, representing an approximately 3.3% decrease, which is mainly attributable to the decrease in right-of-use assets and decrease in inventories. The total liabilities of the Group were approximately HK\$6,001.1 million and HK\$5,695.5 million as at 30 June 2026 and 31 December 2025, respectively, representing an approximately 5.4% increase, which is mainly attributable to the increase in trade payables and loan from ultimate holding company. The consolidated net liabilities increased by approximately 59.2%, from approximately HK\$785.9 million as at 31 December 2025 to approximately HK\$1,251.1 million as at 30 June 2026.

Discussion on the Group's financial position as at 31 December 2025 as compared with that as at 31 December 2024

The total assets of the Group were approximately HK\$4,909.6 million and HK\$5,455.3 million as at 31 December 2025 and 31 December 2024, respectively, representing an approximately 10.0% decrease, which is mainly attributable to the decrease in right-of-use assets, decrease in bank balances and cash and time deposits, and decrease in inventories. The total liabilities of the Group were approximately HK\$5,695.5 million and HK\$5,886.1 million as at 31 December 2025 and 31 December 2024, respectively, representing an approximately 3.2% decrease, which is mainly attributable to the decrease in lease liabilities, partially offset by the increase in loans from ultimate holding company. The consolidated net liabilities increased by approximately 82.5%, from approximately HK\$430.7 million as at 31 December 2024 to approximately HK\$785.9 million as at 31 December 2025.

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Discussion on the Group's financial position as at 31 December 2024 as compared with that as at 31 December 2023

The total assets of the Group were approximately HK\$5,455.3 million and HK\$5,579.0 million as at 31 December 2024 and 31 December 2023, respectively, representing an approximately 2.2% decrease, which is mainly attributable to the decrease in bank balances and cash, pledged bank deposits, and receivables, prepayments and deposits, partially offset by the increase in right-of-use assets and investment properties. The total liabilities of the Group were approximately HK\$5,886.1 million and HK\$5,673.4 million as at 31 December 2024 and 31 December 2023, respectively, representing an approximately 3.7% increase, which is mainly attributable to the increase in lease liabilities and loans from ultimate holding company. The consolidated net liabilities increased significantly by approximately 356.2%, from approximately HK\$94.4 million as at 31 December 2023 to approximately HK\$430.7 million as at 31 December 2024.

According to the 2025 Annual Report, the Group incurred a loss for the year of HK\$354.05 million and net cash outflow in respect of operating activities and lease liabilities of HK\$255.38 million. As at 31 December 2025, the Group had net current liabilities of HK\$1,560.10 million. It was disclosed in the 2025 Annual Report that, as at the date of approval of those financial statements, the inter-company loans due to its immediate and ultimate holding company amounted to HK\$544.93 million. The Group would require continued financial support from its immediate and ultimate holding company to continue its operations as a going concern. These conditions indicated that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern.

II. Information on AEON Credit

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.

III. Reasons for the Revision of Annual Caps

As stated in the Letter from the Board, 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

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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 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.

Our View

Having considered the reasons as set out in the Letter from the Board and discussed with the Management, we noted that the demand for AEON Stores Gift Certificates is driven by Cardholders' redemption behavior under the AEON Bonus Point Program, and AEON Credit, being the administrator of the programme, is in a better position than the Company in assessing its purchase requirements for gift certificates and AEON Credit's proposed annual caps are thus regarded as its estimated maximum purchase amounts. The revision is initiated from the demand side (i.e. AEON Credit) rather than any change in the terms or pricing of the transactions, which remain unchanged.

As disclosed in the announcement of the AEON Credit Announcement, the aggregate amount of consideration paid and payable by AEON Credit to the Company for the transactions under the GC Master Agreement for the nine months ended 30 November 2025 was approximately HK\$17.4 million, representing approximately 75.7% of the Original Annual Cap of HK\$23.0 million for the year ending 28 February 2026, with three months remaining in the relevant annual cap period. On an annualised basis, this implies approximately HK\$23.2 million for the full year, which would already exceed the Original Annual Cap. This provides factual support that the Original Annual Caps are insufficient to accommodate the actual demand.

We further noted that irrespective of the revision of the Original Annual Caps, all terms and conditions of the GC Master Agreement, including the tier discount rates, remain unchanged and in full force and effect. The revision relates solely to the anticipated volume of transactions rather than the pricing or commercial terms, and accordingly does not give rise to any additional commercial disadvantage to the Company.

Having considered the above, we are of the view that the reasons for and benefits of the proposed Revised Annual Caps contemplated under the GC Master Agreement are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

IV. The GC Master Agreement

Pursuant to the GC Master Agreement, 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

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AEON Credit. Upon collection by AEON Credit, the AEON Stores Gift Certificates shall be non-returnable, non-refundable and non-exchangeable for cash. Subject to the fulfilment of the condition precedents, the term of the GC Master Agreement shall be for a period of three years commencing on 1 March 2025 and ending on 29 February 2028.

The AEON Stores Gift Certificates shall be sold by the Company to AEON Credit at face value less the applicable tier discount rate, ranging from 2% to 5%, and in accordance with the annual accumulated purchase amount in each contract year. The tier discount rate has been determined after arm's length negotiations with AEON Credit, after taking into account the Company's similar arrangements and agreements in providing the AEON Stores Gift Certificates to the Company's other business partners.

Details of the terms of the GC Master Agreement are set out in the Letter from the Board.

Assessment of pricing terms

We have discussed with the Management and are advised that the Company also offers AEON Stores Gift Certificates to independent business partners such as banks, shopping mall operators and airline companies at tier discount rates, and different discount rate structures are offered to different types of business partners.

We have obtained and reviewed the master agreement between the Company and an independent commercial bank in respect of the sale of AEON Stores Gift Certificates (the “**Independent Bank Agreement**”) and noted that the tier structure of discount rates under the GC Master Agreement is the same as that agreed between the Company and the said independent commercial bank. Given AEON Credit and such independent commercial bank are both engaged in, amongst others, credit card business, the Group offered the same tier discount rates for their purchase of AEON Stores Gift Certificates.

We have also confirmed from the Company that the full discount rate schedule for gift certificates sold to AEON Credit remains unchanged since the entering into of 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.

Based on the above, we are of the view that the pricing of the transactions contemplated under the GC Master Agreement are fair and reasonable and on normal commercial terms, as the tier discount rates offered to AEON Credit are identical to those offered to an independent third-party commercial bank under comparable circumstances.

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V. The Proposed Revised Annual Caps under the GC Master Agreement

The table below sets out the aggregate amount of the Original Annual Caps and the Revised 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 2026 and 2027 and two months period ending 29 February 2028:

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

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 eight months period ended 31 August 2026 is approximately HK\$19.8 million, comprising approximately HK\$14.0 million in coupon purchase and approximately HK\$5.9 million in coupon promotion. This represents approximately 63% of the Original Annual Cap of HK\$31.0 million for the year ending 31 December 2026. On an annualised basis, this implies approximately HK\$29.7 million for the full year, which would be close to the Original Annual Cap. As at the Latest Practicable Date, the Original Annual Caps for the year ending 31 December 2026 has not been exceeded.

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 2026 and 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.

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We have discussed with the Management in relation to the basis for arriving at the Revised Annual Caps and are advised that:

- (a) The Revised Annual Caps have been determined with reference to the historical transaction amounts, together with the various current factors contributing to the rise in demand for the AEON Stores Gift Certificates as described in Section III above;
- (b) 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 regarded as AEON Credit's estimated maximum purchase amounts. We noted that AEON Credit revised their own annual caps in December 2025 (as published in its announcement dated 23 December 2025), with reference to the historical transaction amounts and the various factors contributing to the rise in demand for the gift certificates;
- (c) The proposed Revised Annual Caps are in line with AEON Credit's estimations as set out in its own announcement, subject to adjustments for the differences in financial year-end periods of the Company (January to December) and AEON Credit (March to February), peak season adjustments and a 10% buffer to accommodate possible sales fluctuations due to the non-coterminous annual cap periods; and
- (d) 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 in arriving at the Company's annual caps for the GC Master Agreement.

In assessing the fairness and reasonableness of the Revised Annual Caps, we have obtained from the Management a detailed Annual Caps calculation for the two years ending 31 December 2026 and 2027, and two-month period ending 29 February 2028. The transactions under the GC Master Agreement broadly comprise two components, namely (i) promotion coupon expenses; and (ii) coupon purchase expenses (comprising gift certificate redemptions through the bonus point program operated by AEON Credit and credit card recruitment activities by AEON Credit). Based on the calculation provided by the Management, the projected base amounts (before buffer) are approximately HK\$31.2 million for the year ending 31 December 2026, approximately HK\$38.5 million for the year ending 31 December 2027 and approximately HK\$6.7 million for the two months ending 28 February 2028. A buffer of approximately 10% was then applied to arrive at the respective Revised Annual Caps.

We have reviewed the Annual Caps calculation provided by the Management and noted that the methodology is consistent with that adopted when determining the Original Annual Caps, as described in the Previous Circular. The Management basically projected the sales for each cap period by reference to AEON Credit's announced annual caps, adjusted for the different year-end dates, with a buffer of 10% (representing 1.2 times the simple monthly average of AEON Credit's annual caps) to accommodate possible fluctuations in purchase timing.

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As advised by the Management, using the simple monthly average of AEON Credit's annual caps could not capture the possible sales fluctuations which are beyond the Group's control. For instance, AEON Credit's actual purchase of AEON Stores Gift Certificates could be concentrated in certain months due to promotional campaigns or festive seasons, which may result in the annual caps being insufficient if compiled simply by monthly average. On this basis, the 10% buffer is built in to accommodate such fluctuations due to the non-coterminous annual cap periods of the Company and AEON Credit.

We have reviewed the historical transaction data and noted that the actual transactions for the period from March to December 2025 amounted to approximately HK\$21.99 million as compared to the Original Annual Cap of HK\$22.2 million, representing a utilisation rate of approximately 99%, with a remaining margin of only approximately 1%. Having considered (i) the near-full utilisation of the Original Annual Cap for the period from March to December 2025 indicated that the previous buffer was insufficient to accommodate the actual transaction demand; and (ii) the inherent volatility in monthly transaction volumes driven by seasonality and timing of promotional campaigns, we concur with the Management that the 10% buffer is fair and reasonable and provides sufficient but not excessive room for the Group to accommodate possible fluctuations in transaction volumes.

We noted that the actual aggregate consideration for the eight months ended 31 August 2026 amounted to approximately HK\$19.8 million, which on an annualised basis implies approximately HK\$29.7 million, already approaching the Original Annual Cap of HK\$31.0 million even before taking into account the anticipated increase from the transformation of the bonus point program in November 2026 and the fourth quarter peak season.

Having considered the above, including (i) the significant increase in actual transaction amounts following the digitalisation of AEON Stores Gift Certificates and the more attractive redemption terms offered to Cardholders; (ii) the Revised Annual Caps are in line with AEON Credit's own estimations of its purchase demand; (iii) a consistent methodology with a 10% buffer has been applied to cater for the non-coterminous annual cap periods and possible sales fluctuations; and (iv) the actual run-rate of transactions in 2025 and the first eight months of 2026 supports the need for the Revised Annual Caps, we are of the view that the bases in arriving at the Revised Annual Caps are reasonable so far as the Company and the Independent Shareholders are concerned.

VI. Internal Control

As stated in the Letter from the Board, as part of the Group's internal control systems, the Company's Connected Party Transaction Panel (the "**CPT Panel**"), comprising the administrative general manager, legal senior manager, corporate planning senior manager, corporate communication senior manager, finance manager and the finance/administration general managers of two subsidiaries of the Company, will assist the Directors to review and monitor all connected transactions of the Group including the Transactions under the GC Master Agreement. The CPT Panel generally holds meetings biweekly to review and monitor all continuing connected transactions of the Group. The

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finance departments of the relevant members of the Group will conduct the initial level of control over the transactions and the transaction amounts under the GC Master Agreement to ensure they are conducted within the frameworks of the GC Master Agreement and the Revised Annual Caps. Where necessary, the CPT Panel will conduct biannual review of the transactions under the GC Master Agreement to ensure the transactions are conducted within the framework of the GC Master Agreement and monitor the utilisation of the annual caps to ensure timely compliance with the requirements under Chapter 14A of the Listing Rules.

In addition, the independent non-executive Directors will, pursuant to Rule 14A.55 of the Listing Rules, review, among other things, whether the transactions under the GC Master Agreement are conducted on normal commercial terms and the auditors of the Company will, for the purpose of Rule 14A.56 of the Listing Rules, review, among other things, whether the transactions under the GC Master Agreement are conducted in accordance with the terms thereunder.

Based on the above, the proposed Revised Annual Caps and our work done set out in Section IV above (in particular, our verification that the tier discount rates offered to AEON Credit are identical to those offered to an independent commercial bank), we concur with the view of the Management that adequate measures in monitoring the transactions under the GC Master Agreement and the Revised Annual Caps have been put in place for the purpose of protecting the interests of the Company and the Independent Shareholders.

RECOMMENDATION

Taking into consideration the above principal factors and reasons, we are of the view that (i) the Transactions under the GC Master Agreement are in the ordinary and usual course of business of the Group; (ii) the terms of the GC Master Agreement and the transactions contemplated thereunder are on normal commercial terms; and (iii) the terms of the GC Master Agreement, the transactions contemplated thereunder, together with the Revised Annual Caps, are fair and reasonable so far as the Company and the Independent Shareholders are concerned and are in the interests of the Company and the Shareholders as a whole. Accordingly, we recommend the Independent Board Committee to advise the Independent Shareholders, and we ourselves recommend the Independent Shareholders, to vote in favour of the ordinary resolution to be proposed at the EGM in relation to the Revised Annual Caps.

Yours faithfully,
For and on behalf of
First Global Corporate Finance Co., Limited
Wendy Liu
Managing Director

Ms. Liu is a licensed person registered with SFC and regarded as a responsible officer of Type 6 (advising on corporate finance) of First Global Corporate Finance Co., Limited. Ms. Liu has been a responsible officer of Type 6 (advising on corporate finance) regulated activities under SFO since 2014.

1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Group. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

2. INTEREST IN SECURITIES

(a) Director's and chief executive's interests

Save as disclosed below, as at the Latest Practicable Date, none of the Directors and chief executives of the Company had any interest or short position in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), which were required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); (b) pursuant to section 352 of the SFO, to be entered in the register of the Company referred to therein; or (c) pursuant to the Model Code contained in the Listing Rules, to be notified to the Company and the Stock Exchange.

(a) *The Company*

Name of Director	Number of ordinary shares held as personal interests	Approximate percentage of interests
NAGASHIMA Takenori	12,000	0.00462%
HISANAGA Shinya	30,000	0.01154%

(b) *AEON Co, the Company's ultimate holding company*

Name of Director	Number of ordinary shares held as personal interests (note)	Approximate percentage of interests
KONNO Tsukasa	10,000	0.00038%
HISANAGA Shinya	6,390	0.00024%

Note: The shareholding information above is confirmed by the respective Directors as at the Latest Practicable Date.

(b) Substantial Shareholders' interests

Save as disclosed below, as at the Latest Practicable Date, none of the shareholders (other than Directors or chief executive of the Company) had interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company pursuant to Divisions 2 and 3 of Part XV of the SFO, or which were required to be recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO.

Name of substantial shareholder	Long Positions Number of ordinary shares held	Approximate percentage of the total number of issued shares
AEON Co	157,536,000 (note)	60.59%

Note: These shares are held as to 155,760,000 shares by AEON Co and 1,776,000 shares by AEON Credit. AEON Credit is owned by AEON Co as to 294,888,000 shares representing 70.42% of the issued share capital of AEON Credit. AEON Co is deemed to be interested in the 1,776,000 shares owned by AEON Credit.

3. DIRECTORS' EMPLOYMENT WITH SUBSTANTIAL SHAREHOLDER

Save as disclosed below, as at the Latest Practicable Date, none of the Directors or proposed Directors is a director or employee of a company which had an interest or short position in the Shares and underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

	Name of substantial shareholder of the Company	Position in the substantial shareholder of the Company
YOKOCHI Yasutoshi	AEON Co	General Manager of Overseas Company Management Department

4. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors or proposed Directors had entered into or proposed to enter into any service contract with the Company or any of its subsidiaries which is not determinable by the Group within one year without payment of compensation (other than statutory compensation).

5. DIRECTORS' INTERESTS IN CONTRACTS AND ASSETS OF THE GROUP

As at the Latest Practicable Date, none of the Directors was materially interested in any contract or arrangement subsisting as of the Latest Practicable Date and which was significant in relation to the business of the Group; and none of the Directors or proposed Directors had any direct or indirect interest in any assets which had been acquired or disposed of by or leased to, or which were proposed to be acquired or disposed of by or leased to, any member of the Group since 31 December 2025, being the date to which the latest published audited financial statements of the Company were made up.

6. DIRECTORS' INTERESTS IN COMPETING BUSINESS

As at the Latest Practicable Date, none of the Directors or proposed Directors and their respective close associates was interested in any business which competed, or was likely to compete, either directly or indirectly, with the business of the Group pursuant to Rule 8.10 of the Listing Rules.

7. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Directors were not aware of any material adverse change in the financial or trading position of the Group since 31 December 2025, being the date to which the latest audited consolidated financial statements of the Company were made up.

8. MATERIAL CONTRACTS

Save for (i) the sale and purchase agreement dated 28 July 2025 entered between the Company as vendor and AEON Financial Service (Hong Kong) Co., Limited as purchaser in relation to the disposal by the Company of 1,346,000 shares in AEON Credit at the total consideration of HK\$9,960,400 (details of which are set out in the announcements of the Company dated 28 July 2025); and (ii) the equity transfer agreement in relation to the acquisition of a total of 35% equity interests of Guangdong AEON Teem Co., Ltd.* (廣東永旺天河城商業有限公司) held by Guangdong Yuehai Teemall Department Stores Holdings Limited* (廣東粵海天河城百貨發展有限公司) at the total consideration of RMB152,184,700 (details of which are set out in the announcements dated 13 April 2026 and 15 June 2026 of the Company and the circular of the Company dated 29 April 2026); and (iii) the sale and purchase agreement dated 12 August 2026 entered between the Company as vendor and AEON Financial Service (Hong Kong) Co., Limited as purchaser in relation to the disposal by the Company of 683,500 shares in AEON Credit at the total consideration of HK\$6,035,305 (details of which are set out in the announcements of the Company dated 12 August 2026), the Group did not enter into any contract which was or might be material other than those entered into in the ordinary course of business carried on or intended to be carried on by the Company or any of its subsidiaries within the two years immediately preceding and including the Latest Practicable Date.

9. LITIGATION

As at the Latest Practicable Date, neither the Company nor any of its subsidiaries was or is engaged in any litigation or arbitration of material importance and no litigation or claim of material importance was or is known to the Directors to be pending or threatened by or against either the Company or its subsidiaries.

10. EXPERT AND CONSENT

The following is the qualification of the expert who has given opinion or advice contained in this circular:

Name	Qualification
First Global Corporate Finance Co., Limited	Independent financial adviser

As at the Latest Practicable Date, the above expert:

- (a) had given and had not withdrawn its written consent to the issue of this circular with the inclusion of its letter or opinions or advice and references to its name, in the form and context in which they appear;
- (b) did not have any shareholding, directly or indirectly, in any member of the Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group; and
- (c) did not have any direct or indirect interest in any assets which had been acquired or disposed of by or leased to any member of the Group, or were proposed to be acquired or disposed of by or leased to any member of the Group, since 31 December 2025, being the date to which the latest published audited consolidated financial statements of the Company were made up.

11. GENERAL

- (1) The registered office of the Company is at G-4 Floor, Kornhill Plaza (South), 2 Kornhill Road, Hong Kong.
- (2) The head office and principal place of business of the Company is at Units 07–11, 26/F, CDW Building, 388 Castle Peak Road, Tsuen Wan, New Territories, Hong Kong.
- (3) The share registrar of the Company is Tricor Investor Services Limited at 17th Floor, Far East Finance Centre, 16 Harcourt Road, Hong Kong.
- (4) The secretary of the Company is Mr. Chan Kwong Leung, Eric who is a Chartered Secretary, a Chartered Governance Professional and an associate of both The Hong Kong Chartered Governance Institute and The Chartered Governance Institute.
- (5) The English text of this circular shall prevail over the Chinese text.

12. DOCUMENTS ON DISPLAY

Copies of the following documents will be published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.aeonstores.com.hk) for a period of 14 days from the date of this Circular:

- (a) the GC Master Agreement; and
- (b) the written consent referred to in the section headed “Expert and Consent” of this appendix.

** the English names of the entities incorporated in the PRC are translation of their respective Chinese company names for the purpose of identification only.*

NOTICE OF EXTRAORDINARY GENERAL MEETING



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)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting of shareholders of AEON Stores (Hong Kong) Co., Limited (the “**Company**”) will be held at Function Room, Units 07–11, 26 Floor, CDW Building, 388 Castle Peak Road, Tsuen Wan, New Territories on Thursday, 29 October 2026 at 9:00 a.m. (the “**EGM**”), to consider and, if thought fit, pass, with or without amendments, the following resolution below as an ordinary resolution.

Words and expressions that are not expressly defined in this notice of extraordinary general meeting shall bear the same meaning as that defined in the circular to shareholders of the Company dated 9 October 2026.

ORDINARY RESOLUTION

“THAT:

- (a) the Revised Annual Caps (as defined and described in the Circular) be and are hereby approved, confirmed and ratified; and
- (b) all acts done and things executed and all such documents or deeds entered into in connection with the implementation of the GC Master Agreement and the transactions contemplated thereunder and the Revised Annual Caps for the transactions contemplated thereunder be and are hereby ratified, confirmed and approved, and any one Director be and is hereby authorised to do all such acts and things and execute all such documents or deeds and to take all steps as the Director may in his/her discretion consider necessary, desirable or expedient in connection with the implementation of the Revised Annual Caps of the transactions contemplated thereunder and to make and agree to such variations, amendments or waivers of matters relating thereto, as are, in the opinion of the Director, necessary or desirable.”

By Order of the Board
AEON Stores (Hong Kong) Co., Limited
CHAN Kwong Leung, Eric
Company Secretary

Hong Kong, 9 October 2026

NOTICE OF EXTRAORDINARY GENERAL MEETING

Registered office:

G-4 Floor
Kornhill Plaza (South)
2 Kornhill Road
Hong Kong

Notes:

1. Any member of the Company entitled to attend and vote at the EGM is entitled to appoint one or (if he is a holder of two or more shares) more proxies to attend and vote in his stead. A proxy need not be a member of the Company.
2. In order to be valid, form(s) of proxy, together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power of attorney or authority, must be deposited at the office of the Company's share registrar, Tricor Investor Services Limited, at 17 Floor, Far East Finance Centre, 16 Harcourt Road, Hong Kong, not less than 48 hours before the time fixed for the holding of the EGM or any adjournment thereof.
3. The register of members of the Company will be closed from Monday, 26 October 2026 to Thursday, 29 October 2026, both days inclusive, for the purpose of determining Shareholders' entitlement to attend and vote at the EGM, during which period no transfer of Shares will be registered. In order to qualify for attending and voting at the EGM, Shareholders should ensure that all transfer documents, accompanied by the relevant share certificates, are lodged with the Company's share registrar, Tricor Investor Services Limited, at 17 Floor, Far East Finance Centre, 16 Harcourt Road, Hong Kong by no later than 4:30 p.m. on Friday, 23 October 2026.
4. Where there are joint registered holders of any share, any one of such persons may vote at the EGM, either personally or by proxy, in respect of such share as if he were solely entitled thereto; but should there be more than one of such joint holders present at the EGM personally or by proxy, that one of the said persons so present whose name stands first on the register of members of the Company in respect of such share shall alone be entitled to vote in respect thereof.
5. Voting of the ordinary resolution set out in this notice will be by way of poll.
6. Reference to times and dates in this notice are to Hong Kong times and dates.
7. If Typhoon Signal No. 8 or above is hoisted or remains hoisted at 8:00 a.m. on the date of the EGM, the EGM will be postponed. The Company will post an announcement on the Company's website at www.aeonstores.com.hk and the Stock Exchange's website at www.hkexnews.hk to notify shareholders of the Company of the date, time and place of the rescheduled EGM.

The EGM will be held on Thursday, 29 October 2026 as scheduled when an Amber or a Red Rainstorm Warning Signal or a Black Rainstorm Warning Signal is in force in Hong Kong at any time on that day. Shareholders should decide on their own whether they would attend the EGM under bad weather conditions bearing in mind their own situations.