

CARD ACQUIRING MERCHANT AGREEMENT

THIS AGREEMENT is made on the date specified in the Schedule.

BETWEEN:

- (1) **AEON Stores (Hong Kong) Co., Ltd.** of Units 7-11, 26 Floor, CDW Building, 388 Castles Peak Road, Tsuen Wan, New Territories, Hong Kong; and
- (2) **AEON CREDIT SERVICE (ASIA) CO., LTD.** of 20/F, Mira Place Tower A, 132 Nathan Road, Tsim Sha Tsui, Kowloon, Hong Kong (“**AEON**”)

WHEREAS:

- (A) AEON Stores (Hong Kong) Co., Ltd. (“**Merchant**”) is engaged in the operation of general merchandise stores and other retail outlets. Merchant has been accepting a variety of credit cards as a means of payment for merchandise sold and/or services rendered to its customers.
- (B) Merchant invited several service providers, including AEON, to tender offers to provide the credit cards related acquiring services in connection with card payment, authorization, processing and settlement for the purchase of goods and services.
- (C) As a result of the tender but subject to compliance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“**Listing Rules**”), the parties enter into this Agreement to govern the transactions thereunder.
- (D) For the avoidance of doubt, the entering into of this Agreement shall be without prejudice to the continuing validity of, and thus the transactions governed by, the Master Agreement dated 1 February 2023 between AEON and the Merchant (“**Master Agreement**”).

NOW IT IS AGREED as follows:

1. Definitions and Interpretation

1.1 In this Agreement, unless the context otherwise requires, the following terms and expressions shall have the following meanings:

“**Authorization Date**” means the date on which the authorization code is issued to the Merchant pursuant to Clause 3.

“**Business Day**” means a day on which banks are open for business in Hong Kong (excluding Saturdays, Sundays and public holidays).

“**Card**” means a credit or debit card bearing the mark(s) and/or hologram(s) in the form from time to time specified by the respective Card Associations and issued by a member of the Card Associations other than AEON.

“**Card Associations**” means Mastercard, Visa, CUP, JCB and any other card associations as the parties may mutually agree to be included herein from time to time.

“**Card Associations Operating Regulations**” means the respective operating regulations of the respective Card Associations currently in force or as amended from time to time.

“**Cardholder**” means an individual person carrying, tapping, using or showing a Card.

“**Cardholder Present Sale**” means a Transaction where a Card is physically presented to the Merchant by the Cardholder as the means of payment at the time of a sale and where the Merchant can evidence the presence of the Card presented by chip read, Card swipe through an EDC Terminal, Contactless tap or by imprint of the Card using a Manual Sales Draft whereby the Merchant may or may not have any chance to examine the Card and validity of the Card will be verified by or through AEON’s EDC Terminal and/ or other means as AEON may from time to time agreed with the Merchant in writing in advance.

“**Chargeback**” means a demand by a Card issuing financial institution or a Card Association to be repaid a sum of money paid by AEON in respect of a Transaction

which has been previously subject to Settlement and for which AEON may or may not have been paid by that Card Association. “**charge(d) back**” shall be interpreted accordingly.

“**Condition Precedent**” has the meaning as defined in Clause 16.1.

“**Contactless**” means contactless Cards, key fobs, smartcards, mobile phones, smart watches or other devices that use radio-frequency identification for making secure payments. The embedded chip and antenna or such equivalent component(s) enable a Cardholder to wave his contactless Card or device over a reader at the point of sale.

“**Credit Slip**” means a paper in the form provided by and at the cost of AEON for use by the Merchant evidencing a monetary refund on a price adjustment or a monetary refund due to the cancellation of a Transaction by the Merchant and which refund is to be credited to the Cardholder’s Card account.

“**CUP**” means China UnionPay Co., Limited.

“**EDC Terminal**” means an electronic data capture device either owned, provided by and at the cost of AEON for a Merchant’s use under this Agreement or otherwise approved by AEON to be used for capturing Card details for obtaining authorizations and submitting Transactions to AEON. Such device enables the Merchant to insert, swipe, tap, or manually enter the required Card information, and to transmit such data to and receive such data from AEON for authorization and further processing.

“**Effective Date**” has the meaning as defined in Clause 16.1.

“**Floor Limit**” means a maximum purchase amount set out in the Schedule for a single Transaction below which an authorization code is not required during certain mutually agreed circumstances but over which an authorization code must be obtained by the Merchant from AEON, and it is only applicable to Cardholder Present Sale.

“**Hong Kong**” means the Hong Kong Special Administrative Region of the People’s Republic of China.

“**JCB**” means JCB International Co., Limited.

“**Manual Sales Draft**” means a paper in a form provided by and at the cost of AEON for use by the Merchant in place of Sales Draft if the Merchant experiences an EDC Terminal failure, telephone/ internet connection fault or disruption to power supply and cannot use Sales Draft as a consequence.

“**Mastercard**” means Mastercard Incorporated.

“**Merchant Discount Amount**” means the amount calculated by multiplying a rate stated in the Schedule (“**Merchant Discount Rate**”) by the Transaction amount payable to the Merchant for a Transaction hereunder.

“**Merchant Outlet**” means the physical premises of the Merchant at which a Transaction is completed in Hong Kong.

“**Payment Period**” means the agreed period within which AEON shall make payment to the Merchant hereunder as set out in the Schedule.

“**PCI-DSS**” means the Payment Card Industry Data Security Standards, which are created jointly by the Card Associations and form a widely accepted set of policies and procedures intended to optimize the security of credit and debit transactions and to protect Cardholders against misuse of their personal information.

“**PDPO**” means the Personal Data (Privacy) Ordinance (Cap. 486 of the Laws of Hong Kong) as amended or re-enacted from time to time.

“**Restricted Services**” means products or services that constitute, relate to or are ancillary to, in whole or in part:

- (a) pornographic or illicit material or activities of any type;
- (b) escort services;
- (c) gambling operations, including but not limited to virtual casinos;
- (d) ticket factoring;
- (e) pyramid selling; or
- (f) goods, products, services or distributions prohibited by applicable laws or under the rules, regulations or directives of any Card Association.

“**Sales Draft**” means a paper in a form provided by and at the cost of AEON for use by the Merchant, whether or not produced by an EDC Terminal, for evidencing a receipt, purchase or hire of merchandise and/ or services by a Cardholder from the Merchant. A Sales Draft, which is not produced by an EDC Terminal, should contain at least the Merchant Outlet reference, Transaction reference, authorization code, Transaction date and time, and its amount.

“**Settlement**” means payment of money to be reimbursed by AEON to the Merchant or the Merchant to AEON from time to time for the net amount arising from the relevant Transactions hereunder.

“**Transaction**” means the act of a Cardholder making purchase of such merchandise or services from a Merchant or its authorized agent which is initiated and concluded through the Cardholder Present Sale whereby payment thereof shall be charged to the Cardholder’s Card account.

“**Visa**” means Visa Incorporated.

- 1.2 In this Agreement, words denoting one gender shall include all other genders and words denoting the singular shall include the plural and vice versa.
- 1.3 The headings in this Agreement are for convenience only and shall not affect the meaning or interpretation of this Agreement.
- 1.4 Unless the context otherwise requires, “**person**” shall include reference to any individual, company, firm, corporation, partnership or other body of person; and the words “**day**”, “**month**” and “**year**” mean a calendar day, calendar month and calendar year respectively.
- 1.5 Reference to Clauses and Schedules shall be construed as clauses of and schedules to this Agreement.
- 1.6 Where the context permits, the expression “**presented**” or “**presentation**” of a Card shall include, in respect of Contactless payment, such expression “**presented**” or “**presentation**” may mean the tapping or using of a Contactless Card or a Contactless Card account access device without having to show the Merchant that Contactless Card or such device (including without limitation a smartphone).

- 1.7 For the avoidance of doubt, the term “Card” as defined herein and this Agreement will in no event cover or include or otherwise be concerned with the processing or handling of any “Credit Card(s)”, “Credit Purchase”, “Other Credit Transactions”, “Other Service Transactions” and/or any matters governed by the “Existing Agreements” (all as defined in the Master Agreement) and the Master Agreement.

2. Honouring Cards

- 2.1 The Merchant shall accept and honour all Cards presented by a Cardholder for payment of the Merchant’s merchandise or services. The Merchant shall not discriminate between Cardholders and cash customers or between Cardholders of different Cards, provided that the Merchant is entitled to run such temporary promotions with its different business partners and/or Card issuing entities.
- 2.2 All Transactions processed by AEON with respect to the Merchant shall represent binding obligations of the Cardholders in amounts as set forth in the relevant prescribed documentation submitted to AEON but shall not include or involve any element of credit for any other purpose. For the avoidance of doubt, the use of a Card for the purpose of a cash advance from the Merchant to a Cardholder is strictly prohibited under any circumstances.
- 2.3 The Merchant shall not collect any additional fees, commission or charges from a Cardholder effecting payment using a Card or impose any maximum or minimum Transaction values, where the same is not collected from Merchant’s customers effecting payment using other media than a Card (whether Contactless or not) or a Contactless Card account access device.
- 2.4 The Merchant shall not spread the value of a Transaction over more than one Card or split a Transaction into smaller amounts for whatever reasons.
- 2.5 Except as permitted by AEON under this Agreement or otherwise in writing in advance, presence of the Card in a Transaction must be evidenced by chip read, Contactless tap on or Card swipe through an EDC Terminal (collectively referred to as “**EDC Terminal Reading of a Card**”). Imprint of the Card using a Manual Sales Draft approved by AEON can only be accepted in the event of failure of all EDC Terminal Reading of a Card at the time and at the Merchant Outlet where the Cardholder Present Sale takes place, or the Merchant has not been installed EDC Terminal by AEON.

2.6 The Merchant shall not honour a Card presented in a proposed Transaction

- (a) in case the Merchant has actual knowledge that:
 - i. the Card has expired;
 - ii. the Card has been altered, damaged, defaced or otherwise tampered with;
 - iii. the signature on the Sales Draft or Manual Sales Draft, where required and as the case may be, does not match the specimen signature on the Card;
 - iv. all security features of the Card applicable to the Transaction as may reasonably and practicably be examined and having been identified by AEON in writing in advance have not been examined or implemented, provided that if the Card is not shown or produced to the Merchant, it is for AEON's EDC Terminals to verify such applicable security features of the Card;
- (b) unless the Merchant determines to its absolute satisfaction that:
 - i. the Transaction occurs within Hong Kong and shall be consummated on payment by the Cardholder using the Card; and
 - ii. the Transaction is bona fide, legal, valid and not in violation or breach of this Agreement, any Card Associations Operating Regulations as communicated to the Merchant by AEON in writing in advance, or any applicable laws, rules or regulations; and
- (c) there are no suspicious circumstances surrounding the presentation of the Card.

2.7 The Merchant warrants, undertakes and represents to AEON that the Merchant shall at all times maintain physical place of business in Hong Kong and shall, with respect to each and every Transaction:

- (a) be licensed, registered or otherwise legally entitled to supply the merchandise and/ or services for payment in return in the jurisdiction in which such merchandise and/ or services are supplied or to be supplied;
- (b) be the sole party to have any claim;
- (c) process for the Merchant itself within its scope of business but not for any third party under any circumstances;
- (d) fulfill all the obligations of the Merchant to the Cardholder howsoever arising or specifically in connection with the merchandise and/ or services provided or to be provided by the Merchant;
- (e) resolve any dispute or complaint as may arise directly with the Cardholder; and
- (f) comply in all respects with all applicable instructions to the Merchant from AEON

(to the extent as reasonably practicable) or otherwise as required by Card Associations and communicated to the Merchant by advance written notice.

3. Authorization

The Merchant shall always obtain an authorization code from AEON for each Cardholder Present Sale using an EDC Terminal. In the event that Manual Sales Draft is used and accepted in accordance with Clause 2.5 above, the Merchant shall obtain an authorization code from AEON by telephone by calling the telephone number as AEON may from time to time designate for such purpose.

4. Cardholder Present Sale and EDC Terminals

4.1 The Merchant processing a Transaction either through an EDC Terminal or by imprint of the Cardholder's Card using a Manual Sales Draft must:

- (a) ensure that the amount of a Transaction, the last four digits of the Card account number, the authorization code, the Transaction date and such other information which AEON may from time to time reasonably and practicably require are legibly printed on a Sales Draft or accurately and legibly written on the Manual Sales Draft;
- (b) demand for signature by Cardholder on the Manual Sales Draft and, where required, on the Sales Draft as may be required therein;
- (c) deliver to the Cardholder a true and completed copy of the Sales Draft or the Manual Sales Draft immediately after the Transaction; and
- (d) retain the Merchant electronic record of all Sales Drafts, Manual Sales Draft, together with any other documents including but not limited to related internal sales invoice evidencing each Transaction for a period not less than 18 months from the date of Transaction. Upon AEON's request, the Merchant agrees and undertakes to deliver the Sales Drafts, Manual Sales Draft and/or any other documents which is in Merchant's possession and which AEON reasonably and practicably considers relevant to the Transaction to AEON within Seven Business Days of such request.

4.2 Electronic records (in the form as the parties mutually agreed) of all Sales Drafts, Manual Sales Draft and Credit Slips must be electronically submitted by the Merchant to AEON for processing and Settlement within three (3) Business Days after the relevant Transaction date. Merchant shall submit the same in such form and manner

and to such processing facility as shall be from time to time prescribed by AEON. AEON reserves the right to demand for whatever additional documents and/or information which is in Merchant's possession and which AEON shall reasonably and practicably consider relevant in connection with a Transaction.

- 4.3 With respect to all Sales Drafts, Manual Sales Draft, Credit Slips, any other documents evidencing a Transaction, the Merchant warrants and represents to AEON that:
- (a) all statements or other records of fact contained therein which are reasonably within the knowledge of the Merchant are true and complete;
 - (b) the Merchant has supplied, caused to be supplied or otherwise committed to supply the merchandise and/or services to which the Transaction information and the Transaction amount relate; and
 - (c) no duplicate has been or will be submitted by the Merchant with respect to the same merchandise and/ or services to which the Transaction relates.
- 4.4 AEON shall at its own cost and expense, at the reasonable request of a Merchant, provide the Merchant and install at Merchant Outlets as designated by Merchant such sufficient numbers of EDC Terminals as Merchant may reasonably require and of such quantity as AEON may approve and such EDC Terminal being for the purpose of facilitating Transactions. The Merchant shall not remove, conceal or alter any markings, tags or plates attached to any part of such EDC Terminals or permit or otherwise leave any third party to maintain, repair, modify or enhance in any way the EDC Terminals without the prior written consent of AEON. Such EDC Terminals shall remain the property of AEON at all times and the Merchant agrees and undertakes to keep the EDC Terminals in its possession, custody and control and free from any lien, encumbrance, distress, claim, execution, other legal proceedings, or as may be reasonably practicable, unauthorized use, misuse, damage or loss.
- 4.5 Subject to consultation and mutual agreement with Merchant, AEON has the right to alter the configuration or any aspects of the EDC Terminals provided to the Merchant. The Merchant agrees to use reasonable endeavours to afford such convenience and assistance as may be necessary in connection with such alteration.
- 4.6 Notwithstanding Clause 4.5 above, all rights of AEON to alter the configuration or any aspects of the EDC Terminals provided to the Merchant are expressly reserved to the extent such alteration is mandated by the Card Associations (the "**Mandatory Alteration**"). The Merchant agrees to afford such assistance as both parties may

mutually agree in connection with the Mandatory Alteration.

- 4.7 Use of EDC Terminal not provided from AEON to seek card authorization through AEON's service is permitted only with the mutual written agreement by both parties.
- 4.8 No deposit of any amount to AEON shall be required from the Merchant for the EDC Terminal provided by AEON to the Merchant throughout the term of this Agreement.
- 4.9 AEON may engage third party terminal vendor to install the EDC Terminals contemplated in Clause 4.4 above. The Merchant shall use its reasonable endeavours to afford such terminal vendor access to the Merchant Outlets concerned and such other assistance as may be necessary to facilitate such installation, provided that AEON and such third-party terminal vendor shall install the EDC Terminals by prior appointment and at reasonable times convenient to Merchant.
- 4.10 Where AEON has delivered and installed an EDC Terminal at a Merchant Outlet, the Merchant shall:
 - (a) operate the EDC Terminal strictly in compliance with such instructions as AEON may give to the Merchant in writing and in advance from time to time;
 - (b) be responsible for the cost of any electricity consumed by the EDC Terminal and for any telecommunication and/ or data charges payable in connection thereof;
 - (c) not alter, tamper or otherwise interfere with any programmes, software or any physical components of the EDC Terminal;
 - (d) keep strictly confidential all information received from AEON in connection with the EDC Terminal and access to the AEON's authorization processing system. The Merchant shall take necessary steps to ensure its employees, agents and representatives whosoever are aware of such confidentiality obligations and in particular without limitation, will maintain strictly need-to-know access with respect to the encryption and terminal initialization procedures affecting the use of and access to the AEON's authorization processing system;
 - (e) exercise care in handling and operating the EDC Terminal; and
 - (f) at all times provide an internet line for the EDC Terminal.

5. Refund

- 5.1 If with respect to a Transaction, any merchandise is accepted for return or any service is terminated or cancelled, or any price adjustment is allowed, the

Merchant shall endeavor to make to the Card used for that Transaction and promptly deliver to AEON a Credit Slip to evidence such a refund or adjustment to the Cardholder together with a cheque for the refunded amount in favour of AEON. If no such cheque is delivered to AEON, AEON is entitled to forthwith deduct or otherwise offset the refunded amount from any amount that is payable by AEON to the Merchant as AEON elects without notice.

- 5.2 The Merchant shall sign and date each Credit Slip and give the Cardholder's copy thereof to the Cardholder.
- 5.3 Where a refund is made in respect of Transaction, the Transaction amount so refunded shall be deducted from the calculation of the Merchant Discount Amount and any such Merchant Discount Amount so deducted shall be reversed and become payable back to the Merchant.

6. Payment

- 6.1 The Merchant, subject to compliance with Clause 4 above, shall (in the case of Cardholder Present Sale) deliver the merchandise and/ or services and submit all documents as contemplated in Clauses 4.2 and 4.3 above, as well as any other relevant supporting documents which are in Merchant's possession to AEON if so required for payment.
- 6.2 In respect of each completed Transaction, provided that the terms and conditions herein have been observed, AEON shall pay to the Merchant the amount of each Transaction less the applicable Merchant Discount Amount not later than the Payment Period (conditional on receipt of such Sales Draft and/ or Manual Sales Draft, as the case may be) and such payment shall be made by AEON to a designated bank account of the Merchant or by cheque or in such manner mutually agreed between AEON and the Merchant. Upon such payment in full to the Merchant, AEON shall have the sole right to recover and receive payment for the Sales Draft or Manual Sales Draft deposited from the Cardholder or the Card issuing financial institution and the Merchant agrees not to make any further claim thereon.
- 6.3 Payment by AEON shall be without prejudice to any claim or right which AEON may have against the Merchant and shall not constitute an admission by AEON as to the performance by the Merchant of its obligations under this Agreement nor as to the

correct net amount payable by AEON.

6.4 Notwithstanding whether AEON has processed a Sales Draft or Manual Sales Draft transmitted for payment or received payment from a Cardholder or the Card issuing financial institution in respect thereof, should AEON reasonably determine that:

- (a) any obligation, term or condition herein has been breached by the Merchant in any material respect;
- (b) any warranty or representation made or given by the Merchant to AEON was untrue in any material respect;
- (c) the relevant Transaction is or is suspected to be fraudulent and the Merchant is a party or suspected party to the suspected fraud or
- (d) a dispute has arisen or exists between the Merchant and Cardholder or any other third party in relation to the merchandise or services as described in Clause 7 hereof,

then AEON shall be entitled to refuse or withhold payment, but may at its absolute discretion pay the Merchant on account of any such Sales Draft or Manual Sales Draft as the case may be, which AEON determines to be so affected as aforesaid.

6.5 If the Transaction is denominated in a currency other than Hong Kong dollars, AEON shall have the right to pay the Merchant in Hong Kong dollars and determine the applicable and reasonable exchange rate therefor.

6.6 In the event the Merchant is required to indemnify AEON as provided in Clause 14 or any provisions hereof, AEON shall also be entitled to forthwith demand reimbursement from the Merchant of any amount paid to the Merchant if the payment made to the Merchant was one it was entitled to refuse and if liability for the relevant Transaction is denied by the relevant Cardholder and/or the Card issuing financial institution and the Merchant fails to provide any supporting documents in defence which shall then be subject to adjudication by & resolution with the relevant Card Association.

6.7 For the avoidance of doubt, if AEON is entitled to payment or reimbursement from the Merchant of any amount, AEON may, at its discretion, deduct such amount from any subsequent payments together with written notification to the Merchant and/or invoice the Merchant for such amount to be paid by the Merchant within thirty (30) days from receipt of such invoice.

- 6.8 Save and except as herein otherwise provided, AEON shall not be obliged to pay the Merchant in respect of any Transaction for which an authorization code which would have been required hereunder was not obtained or the authorization code or other required details on the Manual Sales Draft are missing, incomplete or incorrect.
- 6.9 If AEON suspects on reasonable grounds and having offered Merchant chances to be heard that the Merchant has committed a material breach of this Agreement or involved in an act of dishonesty or fraud against AEON or any Cardholder, AEON shall be entitled to suspend and withhold absolutely all payments under this Agreement to the Merchant pending investigation by AEON and satisfactory completion of the same. No interest shall be payable by AEON on any payment suspended in accordance with this Clause 6.9. AEON shall use its best endeavours to complete the relevant investigation as soon as practicable.

7. Disputes and Chargeback

- 7.1 AEON agrees and undertakes to the Merchant that where there is any Chargeback to AEON's knowledge, AEON shall forthwith inform the Merchant of the same and, based on its best knowledge and belief, advise the Merchant of any possible mechanism that the Merchant may pursue to defend against such Chargeback. Unless the Merchant fails to provide any reasonable supporting documents and/ or information, AEON shall use its best endeavour to (i) defend the Merchant against a Chargeback and have the obligations to forthwith present all such supporting documents and/or information to the Cardholder, Card issuing financial institutions, Card Associations and/or any other competent authorities; and (ii) diligently, forcefully and actively defend the Merchant's right in receiving payments.
- 7.2 Without prejudice to any rights or remedies available to AEON under this Agreement, AEON is entitled to Chargeback from the Merchant with respect to a Transaction by exercising its right to set-off against the Merchant, withholding amounts otherwise payable to the Merchant and/ or recovering from the Merchant directly howsoever and whatsoever, if:
- (a) a Cardholder disputes that Transaction or any payment made in connection therewith and whereby Merchant has failed to provide any reasonably satisfactory supporting document in its defence;
 - (b) that Transaction is charged back for any reason by the Card issuing financial institution according to applicable Card Associations Operation Regulations and/

or related requirements and whereby Merchant has failed to provide any reasonable supporting document in its defence which shall then be subject to adjudication by and resolution with the relevant Card Association;

- (c) AEON has any reason to believe that Transaction is unlawful, unenforceable, not genuine or otherwise unacceptable due to Merchant's fault or mistake in relation to that Transaction; and
- (d) any other event or circumstance, which AEON shall have already notified the Merchant sufficiently in advance and in writing for purposes related to Chargeback, has occurred in relation to that Transaction.

For the avoidance of doubt, the Merchant shall be solely responsible for any liability in connection with any Chargeback and pay AEON any reasonable administrative fee charged by the relevant Card Association for processing any Chargeback or related transactions or requests.

- 7.3 If any dispute arises or exists between the Merchant and a Cardholder or any other person in relation to the quality, condition, characteristics or delivery of any merchandise or services, or any representation or obligation made in connection with a Transaction, the Merchant hereby agrees at all times to indemnify AEON against all claims, and to hold AEON harmless from all costs, losses and liability (including reasonable legal costs on an indemnity basis) resulting from such dispute and suffered by AEON, provided that AEON shall forthwith inform the Merchant without any delay of any Chargebacks, claims, losses, damage, demands, actions, disputes, offsets, costs, expenses or complaints when it becomes aware or is informed of the same (together with any other relevant information as may be available to AEON) and provided that AEON shall promptly act on and put forward to the claiming party or Card Associations any defence raised by Merchant and that there is no material fault or delay on the part of AEON contributing to the loss or claim.
- 7.4 AEON may, as required by any of the Card Associations relating to any act of dishonesty or fraud or material breach on the part of Merchant, inspect the Merchants' books and records (including but not limited to those stored in a computer or in whatever form available) pertaining to any Transactions and make copies of the same at any reasonable time. With respect to each and every Transaction, the Merchant is obliged to maintain all such books and records accurately and comprehensively at all times and to retain them in their entirety for no less than twelve (12) months from the date of such Transaction.

7.5 In the event AEON inadvertently or in error pays to the Merchant any sum which is not payable to the Merchant under this Agreement, AEON shall have the right with prior notice (together with supporting documents) to and consent of the Merchant (such consent not to be unreasonably withheld) to debit against future payments to the Merchant, or if no future payments to AEON are anticipated, the Merchant will forthwith pay the amount to AEON upon demand being made.

7.6 All rights and remedies available to AEON under this Clause 7 shall not in any way be affected by any arrangement as may be made between the Merchant and any Cardholder.

8. **Floor Limit**

The Floor Limit is set out in the Schedule and may be revised by the parties with mutual prior consent.

9. **Annual Fee / Set-up Fee**

AEON agrees that no annual fee nor any set-up fee is payable by the Merchant throughout the term of this Agreement.

10. **Displays**

The Merchant shall display current Card Associations symbols and names as stated in the Schedule (“**Acceptable Card Brands**”), as well as AEON’s promotional materials, which are strictly limited to AEON’s services under this Agreement and shall in no event be related to any other business of AEON (promotion of which is subject to a fee payable to Merchant), to inform the public that the Cards will be honoured by the Merchant. The Merchant’s rights to use or display Acceptable Card Brands’ symbols and names shall continue only so long as this Agreement remains in effect or until AEON or the Merchant is notified by respective Acceptable Card Brands that the Merchant must cease such usage or display.

11. **Use of Merchant Name**

Under this Agreement, AEON shall be entitled to identify the Merchant by the Merchant’s name, logo and other related information in any directory or promotional

material produced in connection with the acceptance of the Cards and AEON's provision of card acquiring services to the Merchant.

12. Prohibited Activities and Restricted Services

12.1 Both parties will not engage or involve in any money laundering or terrorist financing activities or any other illegal activities or the sale or provision of Restricted Services.

12.2 Each party hereby covenants and agrees to indemnify and save harmless the other party from and against any loss or damage suffered by the other party and/or any of its directors, officers and employees and its successor and assigns as a result of any breach or non-compliance with the provision of Clause 12.1 above, including without limitation all costs and expenses (including legal fees) incurred by the other party.

13. Limitation of Liability

13.1 Save and except due to fraud, misconduct, breach or willful negligence on the part of AEON and save and except AEON's obligation to the Merchant to refund or repay any Transaction amount and/or Merchant Discount Amount wrongly deducted or charged (as the case may be), AEON, including its vendors, agents, representatives and contractors shall not be under any liability whatsoever to the Merchant or any of the Merchant's respective customers for the accuracy or otherwise of any authorization code communicated or any other information given by AEON under this Agreement against whom the Merchant's customers shall have no claim whatsoever under all circumstances.

13.2 Without limiting the generality of the preceding Clause 13.1, AEON, including its vendors, agents, representatives and contractors shall not be under any liability to the Merchant for any loss or damage (including any consequential loss or damage) however caused, which may be suffered or incurred or which may arise directly or indirectly in respect of or as a result of failure, error or defect in the equipment or system of AEON, provided that relevant and proper precautionary measures commensurate to what may be reasonably expected of a professional service provider in the field have been implemented.

13.3 Notwithstanding anything contained in this Agreement, under no circumstances will either party (in relation to AEON, including its vendors, agents, representatives and

contractors) be liable to other, for loss of profits or of contracts relating to the merchandise or services or this Agreement or for any indirect economic or consequential loss howsoever arising.

14. Indemnity

Where AEON has fully paid to Merchant the sales amount of a Transaction to which the Merchant is entitled and where through no contributing breach, default, neglect, omissions or action on the part of AEON, the Merchant shall indemnify and hold AEON harmless from and against all Chargebacks, claims, liabilities, losses, damages, costs and expenses (including legal expenses on a full indemnity basis) incurred or suffered by AEON on the ground of the Merchant's fault or default for AEON's entering into or performing any of its obligations under this Agreement, provided that AEON shall forthwith inform the Merchant of any Chargebacks, claims, losses, damage, demands, actions, disputes, offsets, costs, expenses or complaints when it becomes aware or is informed of the same (together with any other relevant information when made available to AEON) and that AEON shall use its best endeavour to act as soon as reasonably practicable to (i) mitigate against the same; and (ii) put forward to the claiming party such defence raised by the Merchant. This Clause 14 shall survive the termination of this Agreement.

15. Confidentiality and Data Protection

15.1 Save as permitted in Clauses 15.3 and 15.4, each party will treat as confidential and keep secret all information relating to the business of the other or its business partners which has been acquired during the continuance of this Agreement and will not disclose to any third party any information unless with the other party's prior written consent or it is required by law or any competent authorities.

15.2 Both parties shall use the Card account information only for the purposes of fulfilling its respective obligations under this Agreement and shall not retain any personal data (as defined in the PDPO) or Card account information for any longer than is necessary for these purposes.

15.3 Both parties shall observe the provisions of and comply with any request made or direction given by the other party in accordance with the data protection laws, including the PDPO, PCI-DSS and any applicable rules and guidelines issued by

regulatory authority, the Office of Privacy Commissioner for Personal Data and Card Associations from time to time.

- 15.4 The obligation of confidentiality contained herein will survive termination of this Agreement provided that it will not apply to any information which is or enters the public domain otherwise than a result of a breach of this Clause 15.
- 15.5 Each party shall indemnify the other party and keep the other party fully indemnified in respect of any type of liability, loss, damage, claims, demands, actions, charges, costs (including legal fees) and expenses incurred by the other party arising out of or in connection with any wrongly disclosure or misuse of personal data as a result of a breach of this Clause 15.
- 15.6 Each party shall be entitled to disclose any information concerning the other party to any agent, sub-contractor, third party or professional adviser appointed, engaged or instructed by a party for any reason relating to the purpose of this Agreement.
- 15.7 Both parties shall protect all Cardholders' data from loss, theft, and unlawful or unauthorized access, copying, modification, use and/ or disclosure during utilization, transmission, storage, return or destruction, as the case may be. In the event of any failure to protect Cardholders' data for whatever reasons, either party shall immediately notify the other party of the nature and details of such failure to the extent as permitted by applicable laws and regulations and take all necessary actions to mitigate any losses or damages as may be arising.

16. Termination

- 16.1 Subject to fulfilment of the Condition Precedent (as defined hereinbelow), this Agreement commences on the Effective Date and will continue for a period of three (3) years unless terminated in accordance with this Clause 16. Notwithstanding execution by the parties hereto, this Agreement is conditional upon (i) the obtaining of the approval of the Merchant's independent shareholders of this Agreement, the transactions contemplated under this Agreement and the relevant annual caps; and (ii) each of this Agreement and all the transactions contemplated hereunder respectively by both of the parties hereto being in compliance with all applicable requirements under the Listing Rules ("**Condition Precedent**"). For the avoidance of doubt, should this Agreement fail to fulfill the Condition Precedent as conclusively certified in writing by

the respective party to the other party, this Agreement shall immediately become null and void and the parties hereto shall have no claims against each other whatsoever save as to antecedent breach. The date on which this Agreement shall come into effect shall be 16 August 2024 (subject to the fulfillment of the Condition Precedent) or a date after the fulfilment of the Condition Precedent and mutually agreed to by the parties hereto in writing, whichever is later (“**Effective Date**”).

- 16.2 Either party may terminate this Agreement by giving to the other party ninety (90) days’ written notice in advance.
- 16.3 All documents and any other related materials supplied to the Merchant by AEON for use in connection with this Agreement such as Credit Slips are supplied on the condition that they remain at all times the property of AEON and, subject to consumption, usage as anticipated, dissipation, fair wear and tear and any legal obligations on the Merchant to retain the same, will be returned immediately to AEON upon such termination if demanded by AEON. The Merchant shall forthwith remove all marks and logos of AEON, which are provided by AEON solely under this Agreement, from its business promotions and all promotional materials upon termination of this Agreement. AEON shall forthwith remove all marks and logos of Merchant, which are provided by Merchant solely under this Agreement, from its business promotions and all promotional materials upon termination of this Agreement.
- 16.4 This Agreement may be immediately terminated by either party without advance notice upon the happening of any of the following events:
- (a) if the other party is a limited company or corporation, the other party is petitioned to be wound up or is dissolved whether voluntarily or compulsorily;
 - (b) the other party enters into any arrangement or composition with the other party’s creditors or suffers any distress or execution to be levied on the other party’s goods, equipment and/or effects;
 - (c) if the other party discontinues all its operation;
 - (d) if there shall be material breach of any obligation, warranty, representation, term or condition under this Agreement by the other party;
 - (e) if there shall be any fraudulent activity or dishonesty in the dealings of the other party not only towards the party herein but in respect of any of its business towards any third party; or
 - (f) if it comes to the attention of or it is reasonably believed that the other party is engaging or involving in any money laundering activities or any other illegal

activities or the sale or provision of Restricted Services.

- 16.5 AEON reserves the right to terminate this Agreement by written notice if the Merchant account remains dormant with AEON for more than three (3) consecutive months. Termination shall not discharge or otherwise affect any obligation or liabilities of either party relating to a Transaction occurring before the termination becomes effective and any Transaction occurring on or after the termination but has already been approved by AEON.
- 16.6 The exercise of the right of termination will not prejudice other legal rights or remedies which either party may have against the other in respect of any breach of the terms of this Agreement. The obligations of the parties expressed herein to survive termination of this Agreement shall continue in force despite termination for whatever reason.
- 16.7 Any Sales Draft or Manual Sales Draft presented to AEON for payment on or within seven (7) days after the termination of this Agreement or after the Transaction concerned (whichever is later) if the same bears an authorization code will be paid by AEON.

17. Intellectual Property

- 17.1 Nothing in this Agreement grants either party any rights in or under the intellectual property (whether trademarks, copyrights, patents, know-how or otherwise) of the other party and neither party shall use the intellectual property of the other party without prior written consent, such consent to be subject to such terms and conditions as the party granting such consent may require. Use by one party under this Agreement of the other's intellectual property shall not confer the first party any rights in or under such intellectual property. All rights connected with or arising out of such use accrue to the owner of the intellectual property in question.
- 17.2 Each party agrees that it will indemnify the other party against all liabilities, costs, charges and expenses (including legal expenses) arising out of all actions, claims, demands and proceedings brought against that party (including without limitation claims of infringement brought by third parties) arising out of or connected with its use of the first party's intellectual property if such use was approved according to Clause 17.1.

18. Force Majeure

Neither party shall be liable to the other for loss or damage resulting from delay or failure to perform this Agreement, or any contract hereunder, either in whole or in part, where any such delay or failure shall be due to causes beyond their reasonable control, or that such delay or failure is not occasioned by their fault or negligence, including but not limited to, where reasonable precautionary measures having been implemented, any telecommunication breakdown, mechanical failure, power failure, malfunction, breakdown, interruption or inadequacy of equipment or installation, war, the threat of imminent war, riots, terrorism or other acts of civil disobedience, insurrection, acts of God, restraints imposed by governments or any other supranational legal authority, or any other industrial or trade disputes, fires, explosions, storms, floods, lightning, epidemic, earthquakes and other natural calamities.

19. Amendment

The terms and conditions of this Agreement may be amended at any time and from time to time to reflect any mandatory change in policy or requirement of any Card Associations, with which the terms and conditions of this Agreement are inconsistent, by AEON giving thirty (30) days' prior notice in writing to the Merchant. Any reference to Agreement shall include reference to such amendments, and any such amendment shall be deemed to be effective and binding on the Merchant upon expiry of such 30 days' notice. Notwithstanding any such amendment, either party hereto may terminate this Agreement by giving the other party ninety (90) days' written notice in accordance with Clause 16.2 above.

20. Notice

20.1 Any notice or communication to be given under this Agreement shall be in writing sent or delivered to the address and/or by way of email, if to the Merchant, as set out in the Schedule hereto, and if to AEON, as set out below:

Address : 20/F, Mira Place Tower A,
132 Nathan Road, Tsim Sha Tsui, Kowloon, Hong Kong

Email : acquiringbusiness@aeon.com.hk

Attention : Acquiring Support Team

or such other address or email as may be notified by such party to the other from time to time in accordance with this Clause 20.1.

20.2 Any notice or communication shall be deemed to have received if sent by email, when a transmission report confirms the email has been successfully transmitted; if delivered personally, when delivered; or if sent by post, 7 days if overseas and 2 days if local after the date of posting.

21. Assignment

Neither party shall have the right to assign this Agreement or all or any portion of its rights hereunder to any person without the prior written consent of the other party.

22. Severability

If any term or provision of this Agreement is held to be illegal or unenforceable, the validity and enforceability of the remainder of this Agreement will not be affected.

23. Waiver

No omission or failure to exercise and no delay in exercising on the part of either party, any right, power or privilege hereunder will operate as a waiver thereof nor will any single or partial act or exercise of any right, power or privilege preclude the enforcement of any other power or privilege nor will the waiver of any breach of any provision herein be taken or held to be a waiver of the provision itself. For any waiver to be effective, it must be in writing.

24. Entire Agreement

This Agreement may only be modified by a written agreement duly signed by persons expressly authorized by the parties. Notwithstanding termination or completion of this Agreement, those provisions which are expressly or impliedly intended to continue will remain in full force and effect in accordance with their terms.

25. Third Party Rights

Nothing in this Agreement shall confer any rights or benefits on any person or entity who is not a party to this Agreement, nor shall anything in this Agreement be construed as creating an obligation by AEON or the Merchant to any non-party to this Agreement. No party other than the parties hereto may enforce any terms of this Agreement pursuant to the Contracts (Rights of Third Parties) Ordinance (Cap. 623 of the laws of Hong Kong) or otherwise.

26. Non-exclusivity

For the avoidance of doubt, nothing in this Agreement shall in any way prohibit AEON or Merchant from providing any services/products to or obtaining any services/products from any other service providers, any card association(s) and/or its members, any merchants, any cardholders or any persons in relation to any credit, charge or debit or store value cards or facilities, their issuing, uses, promotions or marketing or the provision of credit facilities to customers/cardholders for financing any purchases either on its own or in co-operation or in conjunction with any third party either during the term of this Agreement or after its termination or in any way restrict their abilities so to do.

27. Governing Law and Jurisdiction

This Agreement and any amendment thereof shall be governed by and construed in accordance with the laws of Hong Kong and the parties hereto agree to irrevocably submit to the non-exclusive jurisdiction of the courts of Hong Kong.

IN WITNESS whereof the parties hereto have caused this Agreement to be executed on the day and year first above written.

For and on behalf of AEON

魏皮國



Authorised Signature(s) with Company Chop

Name: WEI AIGUO

Title: MANAGING DIRECTOR

For and on behalf of the Merchant

長島武徳



Authorised Signature(s) with Company Chop

Name: NAGASHIMA TAKENORI

Title: MANAGING DIRECTOR

SCHEDULE

1. Date of Merchant Agreement: 11 JULY 2024
2. Merchant Name: AEON STORES (HONG KONG) CO., LIMITED
3. Registered Office: G-4 FLOOR, KORNHILL PLAZA (SOUTH), 2 KORNHILL ROAD, HK
4. Principal Place of Business: UNITS 07 – 11, 26/F, CDW BUILDING, 388 CASTLE PEAK ROAD, TSUEN WAN, NEW TERRITORIES
- 4a. Scope of Business: RETAIL
5. Legal Status: Public Limited Company
6. Company Registration No. 157296
7. Business Registration No. 09868695
8. Authorized Signatories of the Merchant:

Name	HKID / Passport No.*
<i>Mr. Takenori Nagashima</i>	<i>Redacted</i>

9. Contact Person(s):

Name	Title	Telephone No.	Email

10. Permitted Transaction:
Cardholder Present Sale

11. Other Terms:

Cardholder Present Sale	
Merchant Identification Number(s) (MID)	Merchant to be informed by AEON in writing before the Effective Date
Acceptable Card Brands	Mastercard Visa CUP JCB
Merchant Discount Rate	<u>Mastercard</u> GMS Stores 1.37 % Supermarket 0.98 %

	<u>Visa</u> GMS Stores 1.37 % Supermarket 0.98 % <u>CUP</u> 1.60 % <u>JCB</u> 1.90 %
Floor Limit (Hong Kong Dollars)	0 (zero) In case of system failure, as agreed between both parties, AEON will trigger the Floor Limit of HK\$3,000 for the Merchant's GMS stores/ supermarkets and for other brands of the Merchants such as Living Plaza, Daiso, MONO MONO, Komeda's Coffee
Payment Period (Business Days)	T + 2 Days
Annual Fee (Hong Kong Dollars)	Nil
Set-up Fee (Hong Kong Dollars)	Nil
Number of EDC Terminal(s) provided from AEON to Merchant	To be agreed between AEON and the Merchant separately in writing
EDC Terminal Deposit (Hong Kong Dollars)	Nil