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新世界百貨中國有限公司
New World Department Store China Limited
(incorporated in the Cayman Islands with limited liability)
(Stock Code: 825)

DISCLOSEABLE TRANSACTION IN RELATION TO THE SUPPLEMENTAL LEASE AGREEMENT

THE SUPPLEMENTAL LEASE AGREEMENT

The Board is pleased to announce that on 9 October 2025, NWDS Shanghai Huiying (a wholly-owned subsidiary of the Company) as the tenant and Shanghai Yongyi as the landlord entered into the Supplemental Lease Agreement in respect of the Leased Premises to, among others, extend the term of the Existing Lease Agreement to 30 April 2036. The Leased Premises have been leased by the Group since 2010 under the Existing Lease Agreement for operating the department store business of the Group. To reflect the outcome of the latest commercial negotiations on certain material terms of the Existing Lease Agreement, NWDS Shanghai Huiying and Shanghai Yongyi have entered into the Supplemental Lease Agreement to amend certain terms of the Existing Lease Agreement.

IMPLICATIONS UNDER THE LISTING RULES

Pursuant to HKFRS 16, the lease payments payable by the Group under the Supplemental Lease Agreement are recognised as right-of-use asset acquired by the Group in its consolidated statement of financial position. Accordingly, the transaction contemplated under the Supplemental Lease Agreement is regarded as an acquisition of asset under the definition of "transaction" as set out in Rule 14.04(1)(a) of the Listing Rules.

As the highest applicable percentage ratio (as defined in Rule 14.07 of the Listing Rules) calculated based on the value of the right-of-use asset recognised by the Group under the Supplemental Lease Agreement exceeds 5% but is less than 25%, the transaction contemplated under the Supplemental Lease Agreement constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is subject to the notification and announcement requirements but exempt from shareholders' approval requirement under Chapter 14 of the Listing Rules.

INTRODUCTION

The Board is pleased to announce that on 9 October 2025, NWDS Shanghai Huiying (a wholly-owned subsidiary of the Company) as the tenant and Shanghai Yongyi as the landlord entered into the Supplemental Lease Agreement in respect of the Leased Premises to extend the term of the Existing Lease Agreement to 30 April 2036. The Leased Premises have been leased by the Group since 2010 under the Existing Lease Agreement for operating the department store business of the Group. To reflect

the outcome of the latest commercial negotiations on certain material terms of the Existing Lease Agreement, NWDS Shanghai Huiying and Shanghai Yongyi have entered into the Supplemental Lease Agreement to amend certain terms of the Existing Lease Agreement.

The Supplemental Lease Agreement

The principal terms of the Supplemental Lease Agreement are set out below:

Date	:	9 October 2025
Tenant	:	NWDS Shanghai Huiying
Landlord	:	Shanghai Yongyi Business Management Co., Ltd.* (上海永頤商業管理有限公司)
Leased Premises	:	The department store building comprising basement level 1 through level 3 of the properties located at Nos. 1993 and 2061 Chengshan Road, Pudong New District, Shanghai, the PRC* (中國上海市浦東新區成山路 1993 號及 2061 號)
Gross floor area	:	Approximately 38,060 sq m
Extended term	:	An additional period from 1 May 2030 and ending on 30 April 2036 (both dates inclusive)
Rental	:	The monthly rental is calculated at RMB2.151 per day per sq m from 1 May 2030 to 30 April 2033, and at RMB2.237 per day per sq m from 1 May 2033 to 30 April 2036 The amount of rental payable was determined after arm's length negotiations between NWDS Shanghai Huiying and Shanghai Yongyi taking into consideration the prevailing market rental rate for comparable premises in the vicinity of the Leased Premises and the existing rental under the Existing Lease Agreement The rent will be satisfied by internal resources of the Group
Payment terms	:	The rent shall be payable monthly in accordance with the terms of the Existing Lease Agreement
Other material terms	:	(a) NWDS Shanghai Huiying shall enjoy a rent-free period of three months from 1 April 2026 to 30 June 2026 in support of the business enhancement to be carried out by NWDS Shanghai Huiying at the Leased Premises (b) The other terms and conditions contained in the Existing Lease Agreement shall remain unchanged and continue to take effect. In case of conflict, the Supplemental Lease Agreement shall prevail

The value of the right-of-use asset recognised by the Group under the Supplemental Lease Agreement amounted to approximately RMB126.4 million (equivalent to approximately HK$138.3 million) in accordance with HKFRS 16.

INFORMATION RELATING TO THE GROUP

The Group is principally engaged in department store and property investment operations in the PRC.

INFORMATION RELATING TO THE LANDLORD

Shanghai Yongyi is a company established under the laws of the PRC with limited liability and is principally engaged in property leasing and management. As at the date of this announcement, Shanghai Yongyi was wholly-owned by Shanghai Yonglong, which in turn was wholly-owned by Dahua Group.

Dahua Group is a leading large-scale real estate developer in the PRC. Its principal activities include the integrated development of residential properties, covering project planning, construction and sales. It is also active in commercial real estate and comprehensive urban operations. As at the date of this announcement, Dahua Group had seven corporate shareholders, with the single largest shareholder being Shanghai Huaqiang Investment Co., Ltd.* (上海華強投資有限公司), which held approximately 30% of its equity interest. Shanghai Huaqiang Investment Co., Ltd.* (上海華強投資有限公司) was in turn owned as to 70% by Mr. Jin Huiming* (金惠明) and as to 30% by Ms. Jingling* (金玲).

To the best knowledge and belief of the Directors having made all reasonable enquiries, Shanghai Yongyi and its ultimate beneficial owners are third parties independent of, and not connected with, the Company and its connected persons (as defined under the Listing Rules).

REASONS FOR AND BENEFITS OF ENTERING INTO THE SUPPLEMENTAL LEASE AGREEMENT

NWDS Shanghai Huiying is the existing tenant of the Leased Premises under the Existing Lease Agreement and the Group has operated a department store at the Leased Premises since 2010. As NWDS Shanghai Huiying intends to upgrade the facilities with a view to retaining existing tenants and concessionaires and attracting new ones, and Shanghai Yongyi has agreed to support this by granting NWDS Shanghai Huiying a rent-free period, the Directors believe that maintaining the lease at the Leased Premises will strengthen the competitiveness of the department store at the Leased Premises and promote the stability and continuity of the Group's operation of its department store business.

The Directors are of the view that the terms of the Supplemental Lease Agreement are (i) fair and reasonable; (ii) on normal commercial terms and in the ordinary and usual course of business of the Group; and (iii) in the interests of the Company and the Shareholders as a whole.

IMPLICATIONS UNDER THE LISTING RULES

Pursuant to HKFRS 16, the lease payments payable by the Group under the Supplemental Lease Agreement are recognised as right-of-use asset acquired by the Group in its consolidated statement of financial position. Accordingly, the transaction contemplated under the Supplemental Lease Agreement is regarded as an acquisition of asset under the definition of "transaction" as set out in Rule 14.04(1)(a) of the Listing Rules.

As the highest applicable percentage ratio (as defined in Rule 14.07 of the Listing Rules) calculated based on the value of the right-of-use asset recognised by the Group under the Supplemental Lease Agreement exceeds 5% but is less than 25%, the transaction contemplated under the Supplemental Lease Agreement constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is subject to the notification and announcement requirements but exempt from shareholders' approval requirement under Chapter 14 of the Listing Rules.

DEFINITIONS

Unless the context otherwise requires, capitalized terms used in this announcement shall have the following meanings:

"Board"	the board of Directors
"Company"	New World Department Store China Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange
"Dahua Group"	Dahua (Group) Co., Ltd.* (大華（集團）有限公司), a company established under the laws of the PRC with limited liability
"Director(s)"	the director(s) of the Company
"Existing Lease Agreement"	the existing lease agreement dated 26 January 2010 entered into between NWDS Shanghai Huiying (as the tenant) and Shanghai Yonglong (as the landlord) in respect of the Leased Premises, as amended and supplemented by the Novation Agreement, the Second Novation Agreement and the Third Novation Agreement. The term of the existing lease agreement commenced on 1 April 2010 and shall continue until 30 April 2030, unless terminated earlier in accordance with its terms
"Group"	the Company and its subsidiaries
"HKFRS 16"	the Hong Kong Financial Reporting Standard 16 issued by the Hong Kong Institute of Certified Public Accountants, which sets out the principles for the recognition, measurement, presentation and disclosure of leases
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Leased Premises"	the department store building comprising basement level 1 through level 3 of the properties located at Nos. 1993 and 2061 Chengshan Road, Pudong New District, Shanghai, the PRC* (中國上海市浦東新區成山路 1993 號及 2061 號)
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Novation Agreement"	the agreement dated 1 August 2016 entered into among Shanghai Yonglong, NWDS Shanghai Huiying and Shanghai Yongxi regarding the novation of all of Shanghai Yonglong's rights and obligations under the Existing Lease Agreement as the landlord to Shanghai Yongxi

"NWDS Shanghai Huiying"	Shanghai New World Huiying Department Store Co., Ltd.* (新世界百貨集團上海匯瑩百貨有限公司), a company established under the laws of the PRC with limited liability and a wholly-owned subsidiary of the Company
"PRC"	the People's Republic of China and, for the purposes of this announcement only, excludes Hong Kong, the Macau Special Administrative Region of the People's Republic of China and Taiwan
"RMB"	Renminbi, the lawful currency of the PRC
"Second Novation Agreement"	the agreement executed on 1 October 2020 entered into among Shanghai Yongxi, NWDS Shanghai Huiying and Shanghai Yongming regarding the novation of all of Shanghai Yongxi's rights and obligations under the Existing Lease Agreement (as amended and supplemented by the Novation Agreement) as the landlord to Shanghai Yongming
"Shanghai Yonglong"	Shanghai Yonglong Commerce Investment Development Co., Ltd.* (上海永隆商業投資發展有限公司), a company established under the laws of the PRC with limited liability. As at the date of this announcement, Shanghai Yonglong was wholly-owned by Dahua Group
"Shanghai Yongming"	Shanghai Yongming Business Management Co., Ltd.* (上海永茗商業管理有限公司), a company established under the laws of the PRC with limited liability. As at the date of this announcement, Shanghai Yongming was wholly-owned by Shanghai Yonglong
"Shanghai Yongxi"	Shanghai Yongxi Investment Development Co., Ltd.* (上海永禧投資發展有限公司), a company established under the laws of the PRC with limited liability. As at the date of this announcement, Shanghai Yongxi was wholly-owned by Dahua Group
"Shanghai Yongyi"	Shanghai Yongyi Business Management Co., Ltd.* (上海永頤商業管理有限公司), a company established under the laws of the PRC with limited liability. As at the date of this announcement, Shanghai Yongyi was wholly-owned by Shanghai Yonglong
"Shareholders"	holders of the shares of the Company
"sq m"	square metre(s)
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"subsidiary"	has the meaning ascribed to it under the Companies Ordinance (Chapter 622 of the Laws of Hong Kong)
"Supplemental Lease Agreement"	the supplemental agreement to the Existing Lease Agreement entered into between NWDS Shanghai Huiying and Shanghai Yongyi on 9 October 2025

"Third Novation Agreement"	the agreement dated 1 February 2022 entered into among Shanghai Yongming, NWDS Shanghai Huiying and Shanghai Yongyi regarding the novation of all of Shanghai Yongming's rights and obligations under the Existing Lease Agreement (as amended and supplemented by the Novation Agreement and the Second Novation Agreement) as the landlord to Shanghai Yongyi
"%"	per cent

** for identification purpose only*

By Order of the Board
Cheung Fai-yet, Philip
Chairman

Hong Kong, China, 9 October 2025

As at the date of this announcement, the executive Directors are Mr. Cheung Fai-yet, Philip, Ms. Xie Hui-fang, Mandy, Ms. Chiu Wai-han, Jenny, Mr. Lau Fu-keung and Mr. Chan Yiu-ho; and the independent non-executive Directors are Mr. Cheong Ying-chew, Henry, Mr. Chan Yiu-tong, Ivan, Mr. Tong Hang-chan, Peter, Mr. Yu Chun-fai and Ms. Ho Pui-yun, Gloria.