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Best Mart 360 Holdings Limited
優品360控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 2360)

CONNECTED TRANSACTIONS
AND
FULLY EXEMPTED CONTINUING CONNECTED TRANSACTIONS
IN RELATION TO
RENEWAL OF TENANCY AGREEMENTS

The Board announces that, on 31 August 2026 (after trading hours), CIAO International (as tenant) has entered into: (i) the Renewal Wah Kwai Tenancy Agreement with Smart Essence (as landlord) for a further term of three years for the lease of the Wah Kwai Property; (ii) the Renewal On Yam Estate Tenancy Agreement with Glorious Supreme (as landlord) for a further term of three years for the lease of the On Yam Estate Property; and (iii) the Renewal Shek Wai Kok Estate Tenancy Agreement with King Worldwide (as landlord) for a further term of three years for the lease of the Shek Wai Kok Estate Property respectively.

In accordance with HKFRS 16 “Leases”, the Group is required to recognize an additional asset representing its right to use the Wah Kwai Property, the On Yam Estate Property and the Shek Wai Kok Estate Property, and as a result, the entering into the Agreements and the transactions contemplated thereunder will be regarded as acquisitions of assets by the Group for the purpose of the Listing Rules. The Variable Turnover Rents under the Agreements will be recognized as expenses of the Group over the term of the Agreements respectively.

LISTING RULES IMPLICATIONS

As at the date of this announcement, (i) all of the issued shares of Glorious Supreme are wholly-owned by Weida Asia, which issued shares are, in turn, owned as to 70% by Mr. Lin, a substantial shareholder of the Company and an executive Director, and as to 30% by an Independent Third Party; (ii) all of the issued shares of King Worldwide are wholly-owned by Rich Pinnacle, which issued shares are, in turn, wholly-owned by Mr. Lin; and (iii) all of the issued shares of Smart Essence are wholly-owned by Sura Magic, which issued shares are, in turn, wholly-owned by Mr. Lin. Accordingly, each of Smart Essence, Glorious Supreme and King Worldwide is a connected person of the Company under the Listing Rules. Hence, the entering into of the Agreements and the payment of the Fixed Base Rents under the Agreements will be regarded as one-off connected transactions, whereas the payment of the Variable Turnover Rents under the Agreements will be regarded as continuing connected transactions under Rule 14A.31 of the Listing Rules.

Given that the Agreements were entered into within a 12-month period and the landlords under the Agreements are connected to the same connected person, the transactions under the Agreements are required to be aggregated pursuant to Rules 14A.81 to 14A.83 of the Listing Rules.

As the highest applicable percentage ratio in respect of the Aggregated Value of Right-of-Use Assets under the Agreements is more than 0.1% but less than 5%, the connected transactions contemplated under the Agreements are subject to the reporting and announcement requirements but are exempted from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

According to Rule 14A.31 of the Listing Rules, the payment of the Variable Turnover Rents under the Agreements will be regarded as continuing connected transactions. As all of the applicable percentage ratios in respect of the aggregated Annual Caps for the payment of the Variable Turnover Rents under the Agreements are less than 5% and the total consideration is less than HK\$3,000,000, such continuing connected transactions under the Agreements are fully exempted from the reporting, announcement, independent shareholders' approval and annual review requirements under Chapter 14A of the Listing Rules.

1. BACKGROUND

Reference is made to the announcement of the Company dated 14 September 2023 in relation to certain continuing connected transactions on leasing of properties entered into by the Group with certain connected persons.

Given that the Existing Wah Kwai Tenancy Agreement expired on 7 March 2026 and the Existing On Yam Estate Tenancy Agreement and the Existing Shek Wai Kok Estate Tenancy Agreement will expire on 17 September 2026 and 10 December 2026 respectively, the Board announces that, on 31 August 2026 (after trading hours), CIAO International (as tenant) has entered into: (i) the Renewal Wah Kwai Tenancy Agreement with Smart Essence (as landlord) for a further term of three years for the lease of the Wah Kwai Property; (ii) the Renewal On Yam Estate Tenancy Agreement with Glorious Supreme (as landlord) for a further term of three years for the lease of the On Yam Estate Property; and (iii) the Renewal Shek Wai Kok Estate Tenancy Agreement with King Worldwide (as landlord) for a further term of three years for the lease of the Shek Wai Kok Estate Property respectively.

2. RENEWAL TENANCY AGREEMENTS

Renewal Wah Kwai Tenancy Agreement

The principal terms of the Renewal Wah Kwai Tenancy Agreement are summarized as follows:

Date	:	31 August 2026
Parties	:	(i) Smart Essence (as landlord) (ii) CIAO International (as tenant)
Leased property	:	Wah Kwai Property
Term	:	3 years commenced from 8 March 2026 and expiring on 7 March 2029 (both days inclusive)
Monthly rental	:	(i) monthly base rent of HK\$55,000 (“ Wah Kwai Property Fixed Base Rents ”); and

- (ii) a turnover rent of 6% monthly gross receipts exceeding the Wah Kwai Property Fixed Base Rents (“**Wah Kwai Property Variable Turnover Rents**”), exclusive of government rates, management charge, air-conditioning charge and other outgoings and inclusive of government rent

Deposit : HK\$218,316

User : the operation of a retail store under the name of “Best Mart 360° (優品360°)”

Renewal On Yam Estate Tenancy Agreement

The principal terms of the Renewal On Yam Estate Tenancy Agreement are summarized as follows:

Date : 31 August 2026

Parties : (i) Glorious Supreme (as landlord)
(ii) CIAO International (as tenant)

Leased property : On Yam Estate Property

Term : 3 years commenced from 18 September 2026 and expiring on 17 September 2029 (both days inclusive)

Monthly rental : (i) monthly base rent of HK\$45,000 (“**On Yam Estate Property Fixed Base Rents**”); and
(ii) a turnover rent of 5% monthly gross receipts exceeding the On Yam Estate Property Fixed Base Rents (“**On Yam Estate Property Variable Turnover Rents**”), exclusive of government rates, management charge, air-conditioning charge and other outgoings and inclusive of government rent

Deposit : HK\$178,047

User : the operation of a retail store under the name of “Best Mart 360° (優品360°)”

Renewal Shek Wai Kok Estate Tenancy Agreement

The principal terms of the Renewal Shek Wai Kok Estate Tenancy Agreement are summarized as follows:

Date	:	31 August 2026
Parties	:	(i) King Worldwide (as landlord) (ii) CIAO International (as tenant)
Leased property	:	Shek Wai Kok Estate Property
Term	:	3 years commenced from 11 December 2026 and expiring on 10 December 2029 (both days inclusive)
Monthly rental	:	(i) monthly base rent of HK\$50,000 (“ Shek Wai Kok Estate Property Fixed Base Rents ”); and (ii) a turnover rent of 5% monthly gross receipts exceeding the Shek Wai Kok Estate Property Fixed Base Rents (“ Shek Wai Kok Estate Property Variable Turnover Rents ”), exclusive of government rates, management charge, air-conditioning charge and other outgoings and inclusive of government rent
Deposit	:	HK\$189,099
User	:	the operation of a retail store under the name of “Best Mart 360° (優品360°)”

The Fixed Base Rents and the Variable Turnover Rents will be financed by the internal resources of the Group.

3. HISTORICAL TRANSACTION AMOUNTS OF THE AGREEMENTS

Fixed Base Rents

The total Fixed Base Rents paid for the Wah Kwai Property, the On Yam Estate Property and the Shek Wai Kok Estate Property for the nine months ended 31 December 2023, for each of the years ended 31 December 2024 and 31 December 2025 and for the seven months ended 31 July 2026 are as follows:

	For the nine months ended 31 December 2023 HK\$'000	For the year ended 31 December 2024 HK\$'000	For the year ended 31 December 2025 HK\$'000	For the seven months ended 31 July 2026 HK\$'000
Wah Kwai Property	284	378	378	70
On Yam Estate Property	72	600	600	350
Shek Wai Kok Estate Property	–	534	600	350

Variable Turnover Rents

The total Variable Turnover Rents paid for the Wah Kwai Property, the On Yam Estate Property and the Shek Wai Kok Estate Property for the nine months ended 31 December 2023, for each of the years ended 31 December 2024 and 31 December 2025 and for the seven months ended 31 July 2026 are as follows:

	For the nine months ended 31 December 2023 HK\$'000	For the year ended 31 December 2024 HK\$'000	For the year ended 31 December 2025 HK\$'000	For the seven months ended 31 July 2026 HK\$'000
Wah Kwai Property	248	403	387	81
On Yam Estate Property	0	0	0	0
Shek Wai Kok Estate Property	0	0	1	0

4. AGGREGATED VALUE OF RIGHT-OF-USE ASSETS

In accordance with HKFRS 16 “Leases”, the Group is required to recognize an additional asset representing its right to use the Wah Kwai Property, the On Yam Estate Property and the Shek Wai Kok Estate Property, and as a result, the entering into the Agreements and the transactions contemplated thereunder will be regarded as acquisitions of assets by the Group for the purpose of the Listing Rules. Based on the present value of the aggregated Fixed Base Rents for the entire terms of the Agreements as discounted using a discount rate which is equivalent to the Company’s incremental borrowing rate, the Aggregated Value of Right-of-Use Assets of the Agreements recognized by the Company in accordance with HKFRS 16 amounted to approximately HK\$5.09 million (unaudited).

5. ANNUAL CAPS OF THE AGREEMENTS AND BASIS OF DETERMINATION

The Variable Turnover Rents under the Agreements will be recognized as expenses of the Group over the term of the Agreements respectively. The payment of the Variable Turnover Rents will constitute continuing connected transactions pursuant to the Listing Rules. The annual caps proposed by the Company (“**Annual Caps**”) for the payment of the Variable Turnover Rents are estimated as follows:

	For the year ending 31 December 2026 HK\$'000	For the year ending 31 December 2027 HK\$'000	For the year ending 31 December 2028 HK\$'000	For the year ending 31 December 2029 HK\$'000
Renewal Wah Kwai Tenancy Agreement	1,000	1,000	1,000	250
Renewal On Yam Estate Tenancy Agreement	1,000	1,000	1,000	750
Renewal Shek Wai Kok Estate Tenancy Agreement	900	900	900	900

The Annual Caps are determined based on various major factors and assumptions:

- (i) the highest monthly Variable Turnover Rent paid by CIAO International for the Wah Kwai Property, the On Yam Estate Property and the Shek Wai Kok Estate Property historically;
- (ii) the expected growth in sales turnover generated from the purchasing power and daily needs and necessities of the local community;
- (iii) the Group's capability in continuously sourcing comprehensive collection of products with quality and competitive prices that are attractive to customers; and
- (iv) a buffer for any unanticipated fluctuations of sales turnover affecting the normal operation of the retail stores at the Wah Kwai Property, the On Yam Estate Property and the Shek Wai Kok Estate Property.

6. REASONS FOR AND BENEFITS OF ENTERING INTO THE AGREEMENTS

Currently, the Group operates a total of 188 chain retail stores in Hong Kong. The Group's leases of the Wah Kwai Property, the On Yam Estate Property and the Shek Wai Kok Estate Property to operate the "Best Mart 360°" brand retail store are conducted after comprehensive market research and assessment, and shall optimize the Group's retail store-location strategy and enhance the Group's overall performance.

The terms of the Agreements (including the Fixed Base Rents and the Variable Turnover Rents) were determined after arm's length negotiations between CIAO International and each of Smart Essence, Glorious Supreme and King Worldwide, with reference to the prevailing market rates of similar properties in the vicinity of such properties.

Given that the terms of the Agreements have been negotiated on an arm's length basis and the Agreements are entered into on normal commercial terms and in the ordinary and usual course of business of the Group, the Directors (including the independent non-executive Directors) are of the view that the terms and conditions of the Agreements, the transactions contemplated under the Agreements and the Annual Caps are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

As Mr. Lin has material interests in the transactions contemplated under the Agreements due to his shareholdings in Smart Essence, Glorious Supreme and King Worldwide respectively, Mr. Lin had abstained from voting on the resolutions passed by the Board to approve the Agreements, the transactions contemplated under the Agreements and the Annual Caps. Save as disclosed, none of the Directors has a material interest in the transactions contemplated under the Agreements or is required to abstain from voting on the Board resolutions in relation to the Agreements, the transactions contemplated under the Agreements and the Annual Caps.

7. LISTING RULES IMPLICATIONS

As at the date of this announcement, (i) all of the issued shares of Glorious Supreme are wholly-owned by Weida Asia, which issued shares are, in turn, owned as to 70% by Mr. Lin, a substantial shareholder of the Company and an executive Director, and as to 30% by an Independent Third Party; (ii) all of the issued shares of King Worldwide are wholly-owned by Rich Pinnacle, which issued shares are, in turn, wholly-owned by Mr. Lin; and (iii) all of the issued shares of Smart Essence are wholly-owned by Sura Magic, which issued shares are, in turn, wholly owned by Mr. Lin. Accordingly, each of Smart Essence, Glorious Supreme and King Worldwide is a connected person of the Company under the Listing Rules. Hence, the entering into of the Agreements and the payment of the Fixed Base Rents under the Agreements will be regarded as one-off connected transactions, whereas the payment of the Variable Turnover Rents under the Agreements will be regarded as continuing connected transactions under Rule 14A.31 of the Listing Rules.

Given that the Agreements were entered into within a 12-month period and the landlords under the Agreements are connected to the same connected person, the transactions under the Agreements are required to be aggregated pursuant to Rules 14A.81 to 14A.83 of the Listing Rules.

As the highest applicable percentage ratio in respect of the Aggregated Value of Right-of-Use Assets under the Agreements is more than 0.1% but less than 5%, the connected transactions contemplated under the Agreements are subject to the reporting and announcement requirements but are exempted from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

According to Rule 14A.31 of the Listing Rules, the payment of the Variable Turnover Rents under the Agreements will be regarded as continuing connected transactions. As all of the applicable percentage ratios in respect of the aggregated Annual Caps for the payment of the Variable Turnover Rents under the Agreements are less than 5% and the total consideration is less than HK\$3,000,000, such continuing connected transactions under the Agreements are fully exempted from the reporting, announcement, independent shareholders' approval and annual review requirements under Chapter 14A of the Listing Rules.

8. INTERNAL CONTROL MEASURES

In order to effectively implement the Agreements, the Group has adopted the following internal control measures:

- (i) relevant members of staff of the tenancy department of the Company (or its subsidiaries) have been designated to verify the calculation of the monthly gross receipts and ensure that the variable turnover rents are calculated in accordance with the percentages set out under the Agreements on a monthly basis;
- (ii) the financial department of the Group will monitor the payment of the Variable Turnover Rents under the Agreements on a monthly basis to ensure that the amount of payment will not exceed the respective Annual Cap. If the amount of the Variable Turnover Rents is close to the respective Annual Cap, the management of the Company will take appropriate actions, including revising the relevant Annual Caps and complying with the applicable requirements under the Listing Rules or suspend the relevant transaction under the relevant Agreement(s), as appropriate;
- (iii) the independent non-executive Directors will conduct an annual review of the status of the transactions under the Agreements to ensure that the Company has complied with the internal approval procedures, the terms of the respective Agreement and the relevant requirements under the Listing Rules; and
- (iv) the financial department of the Group will, from time to time, review and conduct sample checks on the relevant transaction documents and ensure that the calculation of turnover rents, the bases of determination of the Annual Caps, and the internal control procedures are complied with.

9. INFORMATION ON THE PARTIES

CIAO International

CIAO International, an indirect wholly-owned subsidiary of the Company, is principally engaged in the retailing of food and beverage, household and personal care products under the “Best Mart 360°” and “FoodVille” brand stores in Hong Kong and wholesaling in Hong Kong.

The Company

The Company is a company incorporated in the Cayman Islands with limited liability, whose Shares are listed on the Main Board of the Stock Exchange (stock code: 2360). The Company is an investment holding company and its subsidiaries are leisure food retailers operating chain retail stores under the brands “Best Mart 360°” and “FoodVille” in Hong Kong and Macau. The Group offers a wide selection of imported pre-packaged leisure foods and other grocery products principally from overseas, which can be broadly categorised into (i) chocolates and confectioneries; (ii) nuts and dried fruits; (iii) packaged bakery products and snacks; (iv) biscuits and pastries; (v) cereals and milk; (vi) beverages and wine; (vii) rice, noodles and groceries; (viii) frozen and chilled food; and (ix) other products, such as personal care products and daily items.

Smart Essence

Smart Essence is a company incorporated in Hong Kong with limited liability and is wholly-owned by Sura Magic. Smart Essence is principally engaged in property investment.

Glorious Supreme

Glorious Supreme is a company incorporated in Hong Kong with limited liability and is wholly-owned by Weida Asia. Glorious Supreme is principally engaged in property investment.

King Worldwide

King Worldwide is a company incorporated in Hong Kong with limited liability and is wholly-owned by Rich Pinnacle. King Worldwide is principally engaged in property investment.

10. DEFINITIONS

Unless otherwise stated, the following expressions have the following meanings in this announcement:

“Aggregated Value of Right-of-Use Assets”	being the unaudited present value of the Fixed Base Rents for the entire terms of the Agreements as discounted and recognized by the Company in accordance with HKFRS 16 for the right to use the Wah Kwai Property, the On Yam Estate Property and the Shek Wai Kok Estate Property
“Agreements”	collectively, the Renewal Wah Kwai Tenancy Agreement, the Renewal On Yam Estate Tenancy Agreement and the Renewal Shek Wai Kok Estate Tenancy Agreement
“Annual Caps”	has the meaning ascribed to it in the section headed “5. Annual Caps of the Agreements and Basis of Determination”
“Board”	the board of Directors
“CIAO International”	CIAO International Limited (彩鷗國際有限公司), a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company
“Company”	Best Mart 360 Holdings Limited (優品360控股有限公司), a company incorporated in the Cayman Islands with limited liability and the securities of which are listed on the Main Board of the Stock Exchange (stock code: 2360)
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Existing On Yam Estate Tenancy Agreement”	the existing tenancy agreement entered into between CIAO International and Glorious Supreme in relation to the On Yam Estate Property for a term of three years commenced from 18 September 2023 and expiring on 17 September 2026, and the details of which were disclosed in the announcement of the Company dated 14 September 2023

“Existing Shek Wai Kok Estate Tenancy Agreement”	the existing tenancy agreement entered into between CIAO International and King Worldwide in relation to the Shek Wai Kok Estate Property for a term of three years commenced from 11 December 2023 and expiring on 10 December 2026, and the details of which were disclosed in the announcement of the Company dated 14 September 2023
“Existing Wah Kwai Tenancy Agreement”	the existing tenancy agreement entered into between CIAO International and Smart Essence in relation to the Wah Kwai Property for a term of three years commenced from 8 March 2023 and expiring on 7 March 2026, which was exempt from the reporting and announcement requirements under Chapter 14A of the Listing Rules as the highest applicable percentage ratio was below 0.1% at the time of its execution
“Fixed Base Rents”	collectively, the Wah Kwai Property Fixed Base Rents, the On Yam Estate Property Fixed Base Rents and the Shek Wai Kok Estate Property Fixed Base Rents
“Glorious Supreme”	Glorious Supreme Limited (輝萃有限公司), a company incorporated in Hong Kong with limited liability which is wholly-owned by Weida Asia, and accordingly a connected person of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“HKFRS”	Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants from time to time
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	has the meaning ascribed to it under the Listing Rules

“King Worldwide”	King Worldwide Holdings Limited (景灝集團有限公司), a company incorporated in Hong Kong with limited liability which is wholly-owned by Rich Pinnacle, and accordingly a connected person of the Company
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Mr. Lin”	Mr. Lin Tsz Fung, an executive Director and a substantial shareholder of the Company (as defined in the Listing Rules) as at the date of this announcement
“On Yam Estate Property”	the property located at Shop Nos. 102–102A on the First Floor, Commercial Centre (also known as On Yam Shopping Centre), Commercial/Car Park Block (forming part of Commercial/Car Park Accommodation), On Yam Estate, No.7 On Chuk Street, Kwai Chung, New Territories, Hong Kong
“Renewal On Yam Estate Tenancy Agreement”	the addendum to the Existing On Yam Estate Tenancy Agreement dated 31 August 2026 entered into between CIAO International and Glorious Supreme in relation to the renewal of the lease of the On Yam Estate Property for a term of three years commenced from 18 September 2026 and expiring on 17 September 2029
“Renewal Shek Wai Kok Estate Tenancy Agreement”	the addendum to the Existing Shek Wai Kok Estate Tenancy Agreement dated 31 August 2026 entered into between CIAO International and King Worldwide in relation to the renewal of the lease of the Shek Wai Kok Estate Property for a term of three years commenced from 11 December 2026 and expiring on 10 December 2029
“Renewal Wah Kwai Tenancy Agreement”	the addendum to the Existing Wah Kwai Tenancy Agreement dated 31 August 2026 entered into between CIAO International and Smart Essence in relation to the renewal of the lease of the Wah Kwai Property for a term of three years commenced from 8 March 2026 and expiring on 7 March 2029

“Rich Pinnacle”	Rich Pinnacle Investment Limited, a company incorporated in the British Virgin Islands with limited liability which is wholly-owned by Mr. Lin, and accordingly a connected person of the Company
“Share(s)”	ordinary share(s) of the Company
“Shareholders”	the holder(s) of the Share(s)
“Shek Wai Kok Estate Property”	the property located at Shop No.328 on the Second Floor, Shopping Centre 1 (forming part of Commercial Block) (also known as Shek Wai Kok Shopping Centre), Shek Wai Kok Estate, 3 Shek Wai Kok Road, Tsuen Wan, New Territories, Hong Kong
“Smart Essence”	Smart Essence Development Limited (逸俊發展有限公司), a company incorporated in Hong Kong with limited liability which is wholly-owned by Sura Magic, and accordingly a connected person of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning ascribed to it under the Listing Rules
“Sura Magic”	Sura Magic International Limited, a company incorporated in the British Virgin Islands with limited liability which is wholly-owned by Mr. Lin, and accordingly a connected person of the Company
“Variable Turnover Rents”	collectively, the Wah Kwai Property Variable Turnover Rents, the On Yam Estate Property Variable Turnover Rents and the Shek Wai Kok Estate Property Variable Turnover Rents
“Wah Kwai Property”	the property located at Shop Nos.2 and 3, Ground Floor, Commercial Areas of Commercial/Car Park Block within the Commercial/Car Park Accommodation (also known as Noble Square (Wah Kwai Shopping Centre)), Wah Kwai Estate, No.3 Wah Kwai Road, Hong Kong

“Weida Asia”

Weida Asia Limited, a company incorporated in the British Virgin Islands with limited liability which is owned as to 70% by Mr. Lin and as to 30% by an Independent Third Party, and accordingly a connected person of the Company

“%”

per cent

By order of the Board
Best Mart 360 Holdings Limited
Lu Rong
Chairman

Hong Kong, 31 August 2026

As at the date of this announcement, the executive Directors are Mr. Lu Rong, Mr. Hui Chi Kwan, Ms. Jiang Hongmei, Mr. Liu Yunfeng, Mr. Huang Shengchao, Mr. Sun Liang, Ms. Wang Kanglin and Mr. Lin Tsz Fung; and the independent non-executive Directors are Mr. Sze Irons, Ms. Choy So Yuk, Ms. Chan Yuen Sau Kelly and Dr. Gao Wei.