

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



AEON STORES (HONG KONG) CO., LIMITED

永旺(香港)百貨有限公司

(Incorporated in Hong Kong with limited liability)

(Stock code: 984)

**ANNOUNCEMENT
REVISION OF ANNUAL CAPS FOR
CONTINUING CONNECTED TRANSACTIONS
IN RELATION TO THE RENEWAL AGREEMENT
FOR THE COMMISSION PAYMENT TRANSACTIONS**

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



First Global Corporate Finance Co., Limited

Reference is made to the announcement of the Company dated 15 April 2026 in relation to the Renewal Agreement entered into between the Company and AEON Credit to renew the Master Agreement in respect of the Commission Payment Transactions for a term of three years from 15 April 2026 to 14 April 2029.

In view of the expected increase in sales generated by the credit purchase facilities, card instalment plans and other payment solutions provided by AEON Credit, including following the planned launch of AEON Bonus Point Program in the near future and an increase in joint promotional activities of the Company and AEON Credit, the Original Annual Caps are expected to be insufficient. The Directors have therefore resolved to revise the Original Annual Caps to the Revised Annual Caps.

As at the date of this announcement, AEON Credit is a connected person of the Company by virtue of it being a subsidiary of AEON Co, the Controlling Shareholder of the Company. Accordingly, the Commission Payment Transactions constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

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

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

An EGM will be convened at which the Independent Shareholders will consider and, where appropriate, approve the Revised Annual Caps for the Commission Payment Transactions (as revised by the Revised Annual Caps).

A circular containing, amongst other things, (i) further information of the Revised Annual Caps; (ii) a letter from the Independent Board Committee to the Independent Shareholders containing its recommendation in respect of the Revised Annual Caps; (iii) a letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in respect of the Revised Annual Caps; and (iv) a notice of the EGM with the proxy form is expected to be despatched to the Shareholders on or before 9 November 2026.

INTRODUCTION

Reference is made to the Previous Announcement in relation to the Renewal Agreement entered into between the Company and AEON Credit on 15 April 2026 to renew the Master Agreement in respect of the Commission Payment Transactions on the same terms and conditions as applied to the Master Agreement for a further term of three years effective from 15 April 2026 to 14 April 2029.

Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as those defined in the Previous Announcement.

The Directors have been carefully monitoring the historical and expected transaction amounts under the Renewal Agreement. Having regard to (i) the utilisation of the Original Annual Caps; (ii) the Company's latest business projections; (iii) the continued popularity of AEON Credit's credit cards, card instalment plans and other payment solutions among the Company's customers; (iv) the planned launch of AEON Bonus Point Program in the near future, which is an incentive programme run by 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 gift certificates of the Company, and an increase in joint promotional activities of the Company and AEON Credit; and (v) expected growth in sales attributable to such facilities and solutions (with sales attributable to AEON Credit's payment services projected to represent approximately 24% of the Company's forecast sales from 2026 onwards, compared with approximately 23% in 2025), the Board expects that the annual caps of HK\$7.1 million for the period from 15 April to 31 December 2026, HK\$9.9 million and HK\$9.9 million for the two years ending 31 December 2027 and 2028 respectively, and HK\$2.8 million for the period from 1 January 2029 to 14 April 2029 (the "**Original Annual Caps**") may not be sufficient to accommodate the Commission Payment Transactions for the remainder of the term of the Renewal Agreement and propose such annual caps be revised and increased to the revised annual caps of HK\$9.6 million for the

period from 15 April to 31 December 2026, HK\$13.5 million and HK\$13.5 million for the two years ending 31 December 2027 and 2028 respectively, and HK\$4.0 million for the period from 1 January 2029 to 14 April 2029 (the “**Revised Annual Caps**”).

Save for the revision of the Original Annual Caps to the Revised Annual Caps, all the terms and conditions of the Renewal Agreement (including the nature of the Commission Payment Transactions, the pricing basis and the payment terms) remain unchanged.

HISTORICAL TRANSACTION AMOUNT

Based on the Group’s management accounts, the unaudited aggregate consideration paid and payable by the Company to AEON Credit for the Commission Payment Transactions for the approximately 4.5-month period from 15 April 2026 to 31 August 2026 is approximately HK\$4.1 million, representing approximately 57.6% of the Original Annual Cap of HK\$7.1 million for the period from 15 April 2026 to 31 December 2026. As at the date of this announcement, the Original Annual Caps have not been exceeded. The transaction amount under the Renewal Agreement up to the date of this announcement is not expected to exceed the Original Annual Cap for the period from 15 April 2026 to 31 December 2026 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 paid and payable by the Company to AEON Credit for the Commission Payment Transactions:

Financial Year/Period	Original Annual Caps	Revised Annual Caps
15 April 2026 to 31 December 2026	HK\$7.1 million	HK\$9.6 million
1 January 2027 to 31 December 2027	HK\$9.9 million	HK\$13.5 million
1 January 2028 to 31 December 2028	HK\$9.9 million	HK\$13.5 million
1 January 2029 to 14 April 2029	HK\$2.8 million	HK\$4.0 million

The Revised Annual Caps have been determined with reference to:

- (i) the historical commission paid by the Company to AEON Credit under the Master Agreement for the three years ended 31 December 2025, being approximately HK\$10.4 million, HK\$10.5 million and HK\$10.4 million, respectively;
- (ii) the actual and annualised transaction amounts under the Renewal Agreement for the period from 15 April 2026 up to the date of this announcement;
- (iii) the Company’s latest business projections, including the expected growth in store sales generated by AEON Credit’s credit purchase facilities, card instalment plans and other payment solutions;
- (iv) the currently agreed commission rates for the Commission Payment Transactions, which range from 0.42% to 3.20% of the relevant Sales Amount and are subject to arm’s length revision from time to time;

- (v) the continued popularity of AEON Credit's credit cards and related payment solutions among the Company's customers, the planned launch of AEON Bonus Point Program in the near future, the increase in joint promotions of the Company and AEON Credit and the Directors' expectation of continual growth in sales attributable to AEON Credit's payment services; and
- (vi) a prudent buffer to allow for unforeseen fluctuations in transaction volume and mix of payment products.

REASONS FOR AND BENEFITS OF THE REVISION OF ANNUAL CAPS

The Directors believe that the provision of various credit cards, credit purchase facilities, card instalment plans and other payment solutions by AEON Credit has provided further value-added service to the Company's customers and has cultivated stronger customer loyalty.

The provision of such facilities and related services by AEON Credit will continue to contribute positively in building sales and extending the Company's customer base.

In light of the latest sales trend, the planned launch of AEON Bonus Point Program in the near future, the increase in joint promotional activities, and updated business projections (including the expected increase in the proportion of sales attributable to AEON Credit's payment services), the Original Annual Caps are expected to be insufficient. The revision of the annual caps will enable the Company to continue to offer, without interruption, the credit purchase facilities and payment solutions that have become an integral part of the shopping experience at the Company's stores, which is in the interests of the Company and the Shareholders as a whole.

The Directors have been carefully monitoring the historical transaction amounts and estimated transaction amounts for the Commission Payment Transactions. In view of the above, the Directors expect that the Original Annual Caps will be exceeded and therefore propose to revise the Original Annual Caps to the Revised Annual Caps.

The Board (including all the independent non-executive Directors) is of the view that (i) the Renewal Agreement and the Commission Payment Transactions contemplated thereunder are on normal commercial terms; (ii) the terms of the Renewal Agreement and the transactions contemplated thereunder, together with the Revised Annual Caps, are fair and reasonable and in the interests of the Company and its Shareholders as a whole; and (iii) the Renewal Agreement and the transactions contemplated thereunder are entered into in the ordinary and usual course of business of the Group.

INFORMATION ABOUT THE PARTIES

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

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

LISTING RULES IMPLICATIONS

As at the date of this announcement, AEON Credit is a connected person of the Company by virtue of it being a subsidiary of AEON Co, the Controlling Shareholder of the Company. Accordingly, the Commission Payment Transactions constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

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

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

An EGM will be convened at which the Independent Shareholders will consider and, where appropriate, approve the Revised Annual Caps for the Commission Payment Transactions (as revised by the Revised Annual Caps).

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

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

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

EGM

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

In view of AEON Co's interests in the Renewal Agreement, AEON Co, which as at the date of this announcement beneficially holds 155,760,000 shares in the Company (representing approximately 59.91% of the issued shares in the Company), and its associates (namely, AEON Credit, which is a subsidiary of AEON Co and as at the date of this announcement is a beneficial owner of 1,776,000 shares in the Company, representing approximately 0.68% of the issued shares in the Company) are required to abstain and shall abstain from voting on the ordinary resolution to be proposed at the EGM to approve the Revised Annual Caps.

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

Mr. Takenori Nagashima, Mr. Shinya Hisanaga, Mr. Yasutoshi Yokochi, Mr. Tsukasa Konno and Mr. Wei Aiguo were regarded as potentially having a material interest in the Renewal Agreement. Accordingly, they have abstained from voting on the relevant resolutions at the Board meeting convened to consider the Revised Annual Caps. For the same reason, Mr. Takenori Nagashima (who as at the date of this announcement 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 date of this announcement beneficially holds 30,000 shares in the Company, representing approximately 0.01154% of the issued shares in the Company), will also abstain from voting on the relevant 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.

CIRCULAR

A circular containing, amongst other things, (i) further information of the Revised Annual Caps; (ii) a letter from the Independent Board Committee to the Independent Shareholders containing its recommendation in respect of the Revised Annual Caps; (iii) a letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in respect of the Revised Annual Caps; and (iv) a notice of the EGM with the proxy form is expected to be despatched to the Shareholders on or before 9 November 2026.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms shall have the following meanings:

“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) Company Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Stock Exchange
“Board”	the board of Directors
“Commission Payment Transactions”	has the meaning ascribed thereto under the Previous Announcement
“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

“connected person”	has the meaning ascribed thereto under the Listing Rules
“Controlling Shareholder”	has the meaning ascribed thereto under the Listing Rules
“Director(s)”	the director(s) of the Company
“EGM”	the extraordinary general meeting or any adjournment thereof of the Company to be convened for the Independent Shareholders to consider and, if thought fit, approving, inter alia, the Revised Annual Caps and the Commission Payment Transactions contemplated under the Renewal Agreement
“Group”	the Company and its subsidiaries
“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 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 Commission Payment Transactions contemplated under the Renewal Agreement
“Independent Shareholders”	Shareholders other than those who have a material interest in the Renewal Agreement
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Master Agreement”	the agreement dated 15 April 2005 entered into between the Company and AEON Credit in respect of certain commission payment transactions, as renewed from time to time and last renewed by the Renewal Agreement
“Original Annual Caps”	the annual caps in respect of the Commission Payment Transactions under the Renewal Agreement as set out in the Previous Announcement
“PRC”	the People’s Republic of China, which for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Previous Announcement”	the announcement of the Company dated 15 April 2026 in relation to the Renewal Agreement

“Renewal Agreement”	the agreement dated 15 April 2026 entered into between the Company and AEON Credit renewing the Master Agreement for a further term of three years effective from 15 April 2026 to 14 April 2029
“Revised Annual Caps”	the revised annual caps in respect of the Commission Payment Transactions under the Renewal Agreement as set out in this announcement
“SFO”	The Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Shareholder(s)”	the holder(s) of the share(s) of the Company from time to time
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

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

Hong Kong, 16 October 2026

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