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**AEON STORES (HONG KONG) CO., LIMITED**

**永旺(香港)百貨有限公司**

*(Incorporated in Hong Kong with limited liability)*

**(Stock Code: 984)**

**DISCLOSEABLE TRANSACTION IN RELATION TO  
THE TENANCY AGREEMENT**

The Board is pleased to announce that on 30 April 2025, the Company, as tenant, signed the Tenancy Agreement for renewal of the tenancy of the Premises for a term of three (3) years from 1 May 2025 to 30 April 2028 (both days inclusive). The Premises have been leased by the Company since 1 June 2007 for operating its retail businesses therein.

The Tenancy Agreement is subject to the execution by the Landlord. Upon execution by the Landlord, the Tenancy Agreement shall become legally binding on the Landlord and the Company subject to the terms and conditions thereto.

Pursuant to HKFRS 16, the entering into of the Tenancy Agreement by the Company as tenant will require the Group to recognise the Premises as a right-of-use asset. Therefore, the entering into of the Tenancy Agreement will be regarded as an acquisition of asset by the Group under the Listing Rules. The value of right-of-use asset recognised by the Group under the Tenancy Agreement amounted to approximately HK\$5.2 million.

As the highest applicable percentage ratio as defined under the Listing Rules in respect of the transaction contemplated under the Tenancy Agreement based on the value of the right-of-use asset to be recognised by the Group pursuant to HKFRS 16 is more than 5% and below 25%, the entering into of the Tenancy Agreement constitutes a discloseable transaction for the Company 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 30 April 2025, the Company, as tenant, signed the Tenancy Agreement for renewal of the tenancy of the Premises for a term of three (3) years from 1 May 2025 to 30 April 2028 (both days inclusive). The Premises have been leased by the Company since 1 June 2007 for operating its retail businesses therein.

The Tenancy Agreement is subject to the execution by the Landlord. Upon execution by the Landlord, the Tenancy Agreement shall become legally binding on the Landlord and the Company subject to the terms and conditions thereto.

## **The Tenancy Agreement**

The principal terms of the Tenancy Agreement are as follow:

Date:	Signed by the Company on 30 April 2025
Parties:	(a) the Company, as tenant; and (b) the Landlord, as landlord
Premises:	All that Portion of the Remaining Portion of Shop MA on M/F, Wing Tak Mansion, No. 275 Wan Chai Road, No. 17 Sharp Street West and No. 15 Canal Road West, Hong Kong
Term:	A term of three (3) years from 1 May 2025 to 30 April 2028 (both days inclusive)
Usage:	For commercial use as “DAISO” and/or “DAISO JAPAN” and/or “Living Plaza by AEON” and for the business operations of the Tenant’s licensees.
Total consideration payable:	The total base rent payable under the Tenancy Agreement during the term is approximately HK\$5.8 million and is exclusive of management fee, air-conditioning charges, rates and other outgoings. The rent under the Tenancy Agreement have been determined after arm’s length negotiations between the Company and the Landlord, after taking into consideration the prevailing market price for comparable premises in the vicinity of the Premises.  The consideration will be satisfied by internal resources of the Group.
Payment term:	The monthly rent and management fee shall be payable monthly in advance on the first day of each and every calendar month.
Deposit:	A cash deposit in the sum of approximately HK\$510,000, which will be transferred from the Existing Tenancy Agreement in respect of the Premises.

## **INFORMATION OF THE PARTIES**

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

The Landlord is principally engaged in the business of real estate activities.

To the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, the Landlord and its ultimate beneficial owners are Independent Third Parties.

## **REASONS FOR AND BENEFITS OF THE TENANCY AGREEMENT**

The principal business of the Group is the operation of retail businesses through chain stores under the trade names of “AEON STYLE”, “AEON” and “AEON SUPERMARKET” in Hong Kong and the PRC. Due to the nature of its retail businesses, the Group has to enter into tenancy agreements for the leasing of retail stores from time to time. Each of the retail stores, especially sizable stores like the Premises, contributes to and maintains the Group’s scale of operation which in turn benefits the Group in lowering

the overall operation costs, in enhancing the Group's negotiations with its business partners and in expanding its store network and market shares.

The Premises have been leased by the Company since 1 June 2007 for operating its retail businesses therein under the Existing Tenancy Agreement. As the Existing Tenancy Agreement will be expired on 30 April 2025, the Company and the Landlord have agreed to enter into the Tenancy Agreement to extend the lease of the Premises to 30 April 2028.

The terms of the Tenancy Agreement, including the rental charge, were determined after arm's length negotiations between the Parties and with reference to the prevailing market price of comparable properties (i.e. similar size, facilities/ amenities and quality) in the vicinity of the Premises and the existing rental under the Existing Tenancy Agreement. The entering into of the Tenancy Agreement is necessary for the operation of the retail business in the ordinary and usual course of business of the Group. Therefore, the Board considers that the terms of the Tenancy Agreement are on normal commercial terms and are fair and reasonable and the entering into of the Tenancy Agreement is in ordinary and usual course of business of the Group and in the interests of the Company and the Shareholders as a whole.

## **IMPLICATIONS UNDER THE LISTING RULES**

Pursuant to HKFRS 16, the entering into of the Tenancy Agreement by the Company as tenant will require the Group to recognise the Premises as a right-of-use asset. Therefore, the entering into of the Tenancy Agreement will be regarded as an acquisition of asset by the Group under the Listing Rules. The value of right-of-use asset recognised by the Group under the Tenancy Agreement amounted to approximately HK\$5.2 million.

As the highest applicable percentage ratio as defined under the Listing Rules in respect of the transaction contemplated under the Tenancy Agreement based on the value of the right-of-use asset to be recognised by the Group pursuant to HKFRS 16 is more than 5% and below 25%, the entering into of the Tenancy Agreement constitutes a discloseable transaction for the Company and is subject to the notification and announcement requirements but exempt from shareholders' approval requirement under Chapter 14 of the Listing Rules.

## **DEFINITIONS**

In this announcement, the following expressions have the following meanings unless the context requires otherwise.

“Board”	board of Directors
“Company”	AEON Stores (Hong Kong) Co., Limited (永旺(香港)百貨有限公司), a company incorporated in Hong Kong with limited liability and the issued shares of which are listed on the Stock Exchange (stock code: 984)
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the directors of the Company
“Existing Tenancy Agreement”	The existing tenancy agreement dated 23 June 2022 entered into by the Company and the Landlord in respect of the Premises for a term from 1 May 2022 to 30 April 2025 (both dates inclusive), for the Company's operation of a retail store.

“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“HKFRS”	Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Parties”	any person or company and their respective ultimate beneficial owner, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, is/are not connected persons of the Group and is third party independent of the Group and its connected persons in accordance with the Listing Rules
“Landlord”	Maston Limited (敏德有限公司), a company incorporated in Hong Kong with limited liability, being landlord of the Premises, which is 100% held by Tai Shun Finance Co Ltd, a company incorporated in Hong Kong with limited liability, whose shares are owned by Lee Ser Siu Hung (as to 44.60%), Lee Ying Lau (as to 16.92%), Lee Ying Chiu Herbert (as to 10.52%), Lee Edwin Ying Yuen (as to 10.52%), Woo Karen Wai Har (as to 8.72%), and Lee Wai Sheung (as to 8.72%).
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“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
“Premises”	All that Portion of the Remaining Portion of Shop MA on M/F, Wing Tak Mansion, No. 275 Wan Chai Road, No. 17 Sharp Street West and No. 15 Canal Road West, Hong Kong
“Shareholder(s)”	holders of the shares in the Company from time to time
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Tenancy Agreement”	The Tenancy Agreement signed by the Company on 30 April 2025 in relation to the tenancy of the Premises, subject to execution by the Landlord
“%”	per cent.

By Order of the Board  
**AEON Stores (Hong Kong) Co., Limited**  
**Toshiya GOTO**  
*Chairman*

Hong Kong, 30 April 2025

*As at the date of this announcement, the Executive Directors are Mr. Takenori Nagashima and Mr. Shinya Hisanaga; the Non-executive Directors are Mr. Toshiya Goto, Mr. Hiroyuki Inohara, Mr. Kenji Fujita and Mr. Yasutoshi Yokochi; and the Independent Non-executive Directors are Mr. Chow Chi Tong, Mr. Hideto Mizuno and Ms. Shum Wing Ting.*