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 OF THE PREMISES FOR A NEW STORE

The Board is pleased to announce that on 2 September 2026, the Company, as tenant, signed the Tenancy Agreement in respect of the tenancy of the Premises for a term of five years commencing from 2 February 2027 and expiring on 1 February 2032, both days inclusive for operating its retail businesses therein. In addition, the Company, as licencee, signed the Licence Agreement in respect of the commercial accommodation of the Premises for a term of five months commencing from 2 September 2026 and expiring on 1 February 2027, both days inclusive, being the period prior to the commencement of the term of the Tenancy Agreement.

The Tenancy Agreement and the Licence Agreement are subject to the execution by the Landlord. Upon execution by the Landlord, the Tenancy Agreement and the Licence 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 as tenant and the Licence Agreement as licencee by the Company will require the Group to recognise the Premises as a right-of-use asset. Therefore, the entering into of the Tenancy Agreement and the Licence Agreement will be regarded as an acquisition of asset by the Group under the Listing Rules. The unaudited value of right-of-use asset recognised by the Group under the Tenancy Agreement and the Licence Agreement amounted to approximately HK$7.2 million.

As the landlord under the Tenancy Agreement and the licensor under the Licence Agreement is the same party, according to Rule 14.22 of the Listing Rules, the Transactions shall be aggregated.

As the highest applicable percentage ratio as defined under the Listing Rules in respect of the Transactions based on the value of the right-of-use asset to be recognized by the Group pursuant to HKFRS 16 is more than 5% and below 25%, the entering into of the Tenancy Agreement and the Licence 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 2 September 2026, the Company, as tenant, signed the Tenancy Agreement in respect of the tenancy of the Premises for a term of five years commencing from 2 February 2027 and expiring on 1 February 2032, both days inclusive for operating its retail businesses therein. In addition, the Company, as licencee, signed the Licence Agreement in respect of the commercial accommodation of the Premises for a term of five months commencing from 2 September 2026 and expiring on 1 February 2027, both days inclusive, being the period prior to the commencement of the term of the Tenancy Agreement.

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

THE TENANCY AGREEMENT AND THE LICENCE AGREEMENT

Date:	2 September 2026
Parties:	(a) Top Prince Limited (頂邦有限公司), as landlord and licensor; and (b) AEON Stores (Hong Kong) Co., Limited (永旺(香港)百貨有限公司), as tenant and licensee.
Premises:	Shop 101 on the 1st Floor of 101 King's Road, Hong Kong
Term/Licence Period:	Tenancy Agreement: Five (5) years commencing from 2 February 2027 and expiring on 1 February 2032 (both days inclusive). Licence Agreement: Five (5) months commencing from 2 September 2026 and expiring on 1 February 2027 (both days inclusive), being the period prior to the commencement of term of the Tenancy Agreement.
Usage:	Restricted for the purpose of the Company's operation of a department store under the trade name of "Mono Monoものもの" only.

Total consideration payable:	Tenancy Agreement: The total base rent payable under the Tenancy Agreement during the term is approximately HK$9.02 million, which is subject to the turnover rent which may be imposed pursuant to the terms and conditions of the Tenancy Agreement and is exclusive of government rent and rates, management fees, air-conditioning charges, other charges and outgoings. The total management fee at the initial rate payable under the Tenancy Agreement is approximately HK$2.02 million. The rent and management fee 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. Licence Agreement: Total licence fee of HK$1.00 per month. During the licence period, government rent, rates and management fee are borne and paid by the Landlord.
Payment term:	The monthly base rent shall be payable monthly in advance without any deduction, reduction, abatement, withholding, counterclaim or set-off whatsoever on the first day of each calendar month. The turnover rent (if payable pursuant to the terms and conditions of the Tenancy Agreement) shall be payable in arrears.
Deposit:	HK$635,052.00, being not less than three months' highest base rent during the term of the Tenancy Agreement plus rates and management charge.
Termination:	During the term of the Tenancy Agreement, if the Landlord shall enter into a contract for the sale of the Premises or any part thereof to a purchaser, or the shareholder(s) of the Landlord shall resolve to transfer any or all of the shareholding of the Landlord or its holding companies, or owners in an owners' meeting of the building have voted in favour to redevelop, refurbish, renovate or demolish the building then in such event the Landlord shall be entitled to exercise a right to terminate the Tenancy Agreement by giving not less than six (6) months' notice in writing to the Tenant expiring on the last day of any month during the term of the Tenancy Agreement to terminate the tenancy.

Rent-free period:	The Tenant shall be entitled to Five (5) rent free periods (both days inclusive): (i) from 2 February 2027 to 1 March 2027; (ii) from 2 February 2028 to 1 March 2028; (iii) from 2 February 2029 to 1 March 2029; (iv) from 2 February 2030 to 1 March 2030; and (v) from 2 February 2031 to 1 March 2031.

INFORMATION ABOUT THE PARTIES

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

The Landlord, a company incorporated in Hong Kong which is owned as to 50% indirectly by Wang On Properties Limited, which is an exempted company incorporated in Bermuda with limited liability whose shares are listed on the Stock Exchange (stock code: 1243), and 50% indirectly owned by Stichting Depositary APG Strategic Real Estate Pool, the depositary of the Pool, which is established in the Netherlands and is the depositary of APG Strategic Real Estate Pool. The Landlord is principally engaged in property development.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, each of the Landlord, the owner and their respective ultimate beneficial owner(s) is an Independent Third Party.

REASONS FOR AND BENEFITS OF THE TRANSACTION

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 entering into of the Tenancy Agreement and the Licence Agreement for the new Premises allows the Group to secure suitable retail space in a strategic location for the operation of its business under the trade name "Mono Mono ものもの".

The terms of the Tenancy Agreement, including the rental and management charge, were determined after arm's length negotiations with reference to the open market rent of comparable properties and the rental payment and management fees made for other retail stores operated by the Group. The entering into of the Tenancy Agreement and the Licence Agreement is for the purpose of 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 and the Licence Agreement are on normal commercial terms and are fair and reasonable and the entering into of the Tenancy Agreement the Licence Agreement and the transactions contemplated thereunder are in the interests of the Company and the Shareholders as a whole.

THE RIGHT-OF-USE ASSET

Based on preliminary estimation of the Company, the unaudited value of the right-of-use asset to be recognised by the Group under the Tenancy Agreement and the Licence Agreement shall amount to approximately HK$7.2 million, which is the present value of the aggregate payments payable under the term of the Tenancy Agreement and the Licence Agreement in accordance with HKFRS 16. Discount rate of 8.24% is applied to compute the present value of aggregate payments under the Tenancy Agreement and the Licence Agreement.

LISTING RULES IMPLICATIONS

Pursuant to HKFRS 16, the entering into of the Tenancy Agreement as tenant and the Licence Agreement as licencee by the Company will require the Group to recognise the Premises as a right-of-use asset. Therefore, the entering into of the Tenancy Agreement and the Licence Agreement will be regarded as an acquisition of asset by the Group under the Listing Rules. The unaudited value of right-of-use asset recognised by the Group under the Tenancy Agreement and the Licence Agreement amounted to approximately HK$7.2 million.

As the landlord under the Tenancy Agreement and the licensor under the Licence Agreement is the same party, according to Rule 14.22 of the Listing Rules, the Transactions shall be aggregated.

As the highest applicable percentage ratio as defined under the Listing Rules in respect of the Transactions based on the value of the right-of-use asset to be recognized by the Group pursuant to HKFRS 16 is more than 5% and below 25%, the entering into of the Tenancy Agreement and the Licence 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, unless the context otherwise requires, the following terms shall have the following meanings:

"Board"	the board of Directors from time to time
"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
"Director(s)"	the director(s) of the Company from time to time
"Group"	the Company and its subsidiaries
"Hong Kong"	Hong Kong Special Administrative Region of the PRC

"Independent Third Party(ies)"	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"	Top Prince Limited (頂邦有限公司), a company incorporated in Hong Kong with limited liability, being landlord of the Premises
"Licence Agreement"	the licence agreement signed by the Company on 2 September 2026 in respect of the commercial accommodation of the Premises, subject to execution by the Landlord
"Listing Rules"	the Rules Governing the Listing of Securities on Stock Exchange
"PRC"	the People's Republic of China, which, for the purpose of this announcement, excludes Hong Kong, Macao Special Administrative Region of the PRC and Taiwan
"Premises"	Shop 101 on the 1st Floor of 101 King's Road, Hong Kong
"Shareholder(s)"	holders of the shares of 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 2 September 2026 in relation to the tenancy of the Premises, subject to execution by the Landlord
"Transactions"	the transactions contemplated under the Tenancy Agreement and the Licence Agreement
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"%"	per cent.

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

Hong Kong, 2 September 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.