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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)

ANNOUNCEMENT
POSSIBLE CONNECTED TRANSACTION AND VERY SUBSTANTIAL ACQUISITION IN RELATION TO THE ACQUISITION OF EQUITY INTERESTS IN AEON GD THROUGH PUBLIC TENDER

THE PROPOSED ACQUISITION

On 13 April 2026 (after trading hours), the Board has resolved to submit Bid to acquire a total of 35% of the equity interests of AEON GD held by Teemall Department Stores, by way of Public Tender, at a total consideration of no more than RMB170,269,000. The Proposed Acquisition will constitute a very substantial acquisition of the Company under Chapter 14 of the Listing Rules.

The Board considers that it is commercially desirable for the Company to participate in the bidding process of the Public Tender. If the Company does not participate in the bidding process of the Public Tender, and there is no third-party bidder in the Public Tender, the Public Tender would fail and the Vendor will need to restart the tender process again which will in turn delay the process in disposing the Target Interest. During the period of the disposal of the Target Interest, many of the steps for the implementation of the Company's plan for enhancing the profitability of AEON GD will be put on hold until the disposal is concluded. Accordingly, it is in the Company's interest that the disposal is concluded as soon as possible such that the Company may commence the implementation of the Company's plan soonest possible thereafter; hence, given that the Company is of the view that acquiring the Target Interest at no more than the Maximum Bid Price is in its best interest and the interest of the Shareholders of the Company as a whole, the Company believes that it is strategically advantageous to the Company to participate in the bidding process rather than waiting for the opportunity to exercise its right of first refusal once the successful bidder is confirmed.

If the Company is successful with the bidding at the Public Tender, the Company will enter into the Assets and Equity Exchange's prescribed form of equity transfer agreement in respect of the Proposed Acquisition with Teemall Department Stores. The prescribed form is not subject to negotiation or amendment and the Assets and Equity Exchange does not allow the Company to include a condition precedent that completion is conditional upon the Company having obtained Shareholders' approval for the Proposed Acquisition. Accordingly, if the Company becomes the successful bidder at the Public Tender, the Company will become obliged to complete the Proposed Acquisition. Hence, the Company will not be able to seek the approval of the Shareholders in time for the Proposed Acquisition, as required under Chapter 14 of the Listing Rules. Accordingly, the Board would like to seek the approval of the Proposed Mandate from the Shareholders at the EGM in advance so as to conduct the Proposed Acquisition.

LISTING RULES IMPLICATIONS

As at the date of this announcement, AEON GD is held as to 65% by the Company and 35% by Teemall Department Stores. AEON GD is a non-wholly owned subsidiary of the Company and Teemall Department Stores is therefore a substantial shareholder of a subsidiary of the Company. Accordingly, Teemall Department Stores is a connected person of the Company at the subsidiary level under Rule 14A.07(1) of the Listing Rules. If the Company is successful with the bidding at the Public Tender, the Proposed Acquisition will constitute a connected transaction of the Company under Chapter 14A of the Listing Rules. As (i) Teemall Department Stores is a connected person of the Company at the subsidiary level; and (ii) the Board (including the independent non-executive Directors) has considered, confirmed and approved that the Proposed Acquisition is on normal commercial terms and the terms of the Proposed Acquisition are fair and reasonable and in the interests of the Group and the Shareholders as a whole, pursuant to Rule 14A.101 of the Listing Rules, the Proposed Acquisition is subject to the reporting and announcement requirements but is exempt from the circular, independent financial advice and Shareholders' approval requirements under Chapter 14A of the Listing Rules.

As one or more of the relevant applicable percentage ratios (as defined under Rule 14.04(9) of the Listing Rules) in respect of the Proposed Acquisition pursuant to the Public Tender is more than 100%, the Proposed Acquisition constitutes a very substantial acquisition of the Company and will be subject to reporting, announcement, circular and shareholders' approval requirements under Chapter 14 of the Listing Rules.

GENERAL

A circular containing, among other things, (i) further details of the Proposed Mandate, the Proposed Acquisition and the relevant equity transfer agreement; (ii) the financial information of AEON GD; (iii) the unaudited pro-forma financial information of the Enlarged Group; (iv) the details of the Valuation Report; (v) the notice of EGM; and (vi) other information as required under the Listing Rules is expected to be despatched to the Shareholders no later than 23 April 2026.

As the Proposed Acquisition is subject to the result of public tender, the Proposed Acquisition may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

INTRODUCTION

On 13 April 2026 (after trading hours), the Board has resolved to submit Bid to acquire a total of 35% of the equity interests of AEON GD held by Teemall Department Stores, by way of Public Tender, at a total consideration of no more than RMB170,269,000. According to the Guangdong Investment Announcement, Teemall Department Stores intends to transfer a total of approximately 35% of the equity interests of AEON GD that it held and such transfer is to be conducted through public tender through the Assets and Equity Exchange, pursuant to the Company Law of the PRC, the Measures for the Supervision and Administration of the Transactions of State-Owned Assets of Enterprises and the articles of association of Teemall Department Stores and AEON GD. The Proposed Acquisition will constitute a very substantial acquisition of the Company under Chapter 14 of the Listing Rules.

As required under the Measures for the Supervision and Administration of the Transactions of State-Owned Assets of Enterprises (Order No. 32 of SASAC and Ministry of Finance, the "Measures"), transfer of the Target Interest by Teemall Department Stores, being a state-owned enterprise, is required to be conducted in public through a property rights market and Teemall Department Stores has selected to transfer the Target Interest at the Assets and Equity Exchange.

As an existing shareholder of AEON GD holding 65% equity interests, the Company has a right of first refusal to acquire the Target Interest pursuant to the articles of association of AEON GD, provided that the acquisition is to be made on the same terms as the highest bid in the Public Tender. However, the Board considers that it is commercially desirable for the Company to participate in the bidding process of the Public Tender. If the Company does not participate in the bidding process of the Public Tender, and there is no third-party bidder in the Public Tender, the Public Tender would fail and the

Vendor will need to restart the tender process again which will in turn delay the process in disposing the Target Interest. During the period of the disposal of the Target Interest, many of the steps for the implementation of the Company's plan for enhancing the profitability of AEON GD will be put on hold until the disposal is concluded. Accordingly, it is in the Company's interest that the disposal is concluded as soon as possible such that the Company may commence the implementation of the Company's plan soonest possible thereafter; hence, given that the Company is of the view that acquiring the Target Interest at no more than the Maximum Bid Price is in its best interest and the interest of the Shareholders of the Company as a whole, the Company believes that it is strategically advantageous to the Company to participate in the bidding process rather than waiting for the opportunity to exercise its right of first refusal once the successful bidder is confirmed.

THE PROPOSED ACQUISITION

The Company intends to participate in the bidding for the sale of the Target Interest on the Assets and Equity Exchange.

Set out below are the details of the Proposed Acquisition:

Subject Matter

Subject to Shareholders' approval of the Proposed Mandate, the Company proposed to submit a Bid in the Public Tender in accordance with the rules of the Assets and Equity Exchange to acquire 35% of the equity interests of the Target Company.

Parties

Bidder and/or purchaser:	The Company
Vendor:	Teemall Department Stores

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

Teemall Department Stores is principally engaged in department store operations and leasing of non-residential property. Teemall Department Stores is a wholly-owned subsidiary of Teem Holding, which is in turn a non-wholly owned subsidiary of Guangdong Investment. The ultimate beneficial owner and controlling shareholder of Guangdong Investment is Guangdong Holdings which is held as to 90% by the Guangdong Government and as to 10% by the Department of Finance of the Guangdong Province.

Upon successful completion of the Proposed Acquisition, the Company will hold 100% of the equity interests in AEON GD. AEON GD will remain a subsidiary of the Group and its financial results will continue to be consolidated into the consolidated financial statements of the Group.

Information of the Target Company

AEON GD is a company incorporated in the PRC, and is principally engaged in the business operation of retail stores in the PRC. It is a non-wholly owned subsidiary of the Group and its financial results have been consolidated into the consolidated financial statements of the Group. As at the date of this announcement, AEON GD is owned as to 65% by the Company and as to 35% by Teemall Department Stores. The registered capital of AEON GD is RMB247.156 million (equivalent to approximately HK$279.29 million).

AEON GD was established in 1995, and Teemall Department Stores made a capital contribution of RMB86,504,600 (which has been fully paid up) in AEON GD, representing 35% of the registered capital in AEON GD.

For the two years ended 31 December 2024 and 2025, extract of key items from the audited accounts of AEON GD prepared by its PRC auditors based on the generally accepted accounting principles in the PRC are as follows:

	For the year ended/As at 31 December 2024	**For the year ended/As at 31 December 2025**
	RMB'000	***RMB'000***
Revenue	3,654,334	**3,615,594**
Net profit/(loss) (before taxation)	(4,929)	**(75,653)**
Net profit/(loss) (after taxation)	(6,890)	**(77,749)**
Total assets	2,104,956	**2,174,951**
Net assets value	266,891	**189,143**

Maximum Bid Price

The total price for the Bid that the Company proposed that it shall submit is no more than RMB170,269,000.

The Reserve Price, being RMB152,184,700, refers to the minimum price in the public tender which was set by the Vendor and, as disclosed in the Guangdong Investment Announcement, was determined based on the appraised value of the Target Interest pursuant to the valuation report prepared by an independent professional valuer engaged by Teemall Department Stores. The Maximum Bid Price was determined after having taken into account other factors by the Company including (i) the Reserve Price; (ii) the appraised value amount of the Target Interest of RMB170,269,000 as at 31 December 2025 according to the Valuation Report prepared by an independent professional valuer engaged by the Company using the market approach; (iii) the business operation of AEON GD; (iv) the net asset value of AEON GD; and (v) the other factors set out in the section headed "Reasons for and benefits of the Proposed Acquisition" in this announcement.

Bid Deposit

It is expected that a deposit in an amount of 30% of the Reserve Price shall be paid to the Assets and Equity Exchange at the time of submission of the Bid.

Process of the Public Tender and Completion

As stated in the Guangdong Investment Announcement, the Vendor will submit to the Assets and Equity Exchange the tender notice which will state that the Company has a subsisting right of first refusal for the purchase of the Target Interest, and the publication period for the Public Tender shall be 20 working days from the date of the tender notice. During the publication period, qualified bidders may indicate their intention to purchase the Target Interest and register themselves as prospective bidders. The closing date of the publication period in respect of the Target Interest is expected to be in May 2026. In the event that there is only one registered bidder subject to the Company's right of first refusal, the transfer will be effected at the price submitted by such registered bidder. In the event that there are two or more registered bidders, a centralized online competitive bidding process will be implemented to determine the highest bid. The successful bidder in the Public Tender will receive notice from the Assets and Equity Exchange in accordance with the rules of the Assets and Equity Exchange.

If the Company is unsuccessful with the bidding in the Public Tender, the Board will consider whether to exercise the Company's right of first refusal to acquire the Target Interest on the same terms as the highest bid in accordance with the articles of association of AEON GD. If the Company decides to exercise such right of first refusal, the Company will comply with applicable Listing Rules requirements including but not limited to announcement, circular and Shareholders' approval requirements prior to exercising the right of first refusal.

If the Company is successful with the bidding at the Public Tender, the Company will enter into the Assets and Equity Exchange's prescribed form of equity transfer agreement in respect of the Proposed Acquisition with Teemall Department Stores. The prescribed form is not subject to negotiation or amendment and the Assets and Equity Exchange does not allow the Company to include a condition precedent that completion is conditional upon the Company having obtained Shareholders' approval for the Proposed Acquisition. Accordingly, if the Company becomes the successful bidder at the Public Tender, the Company will become obliged to complete the Proposed Acquisition. Hence, the Company will not be able to seek the approval of the Shareholders in time for the Proposed Acquisition, as required under Chapter 14 of the Listing Rules. Accordingly, the Board would like to seek the approval of the Proposed Mandate from the Shareholders at the EGM in advance so as to conduct the Proposed Acquisition.

The consideration (less the deposit to be paid upon submission of the Bid to the Assets and Equity Exchange) for the Proposed Acquisition shall be paid in full within 5 working days from the signing of the equity transfer agreement and will be satisfied by the internal resources of the Group. After receiving the consideration, the Assets and Equity Exchange will then issue a transaction confirmation (the "**Transaction Confirmation**") and transfer the entire amount of the consideration to Teemall Department Stores without interest within 3 working days from the date of the Transaction Confirmation. The relevant industrial and commercial registration of changes regarding the Proposed Acquisition shall be completed by AEON GD within 30 days after receipt of the Transaction Confirmation.

Profit and Loss distribution

The profits and losses of the Target Company incurred during the period from the day after 30 June 2025, up to and including the date of completion of the industrial and commercial registration of changes regarding the Proposed Acquisition, shall be borne and gained by the original shareholders of the Target Company after the industrial and commercial registration of changes in proportion to their respective equity interests.

REASONS FOR AND BENEFITS OF THE PROPOSED ACQUISITION

AEON GD, a sino-foreign equity joint venture established in the PRC which is held as to 65% by the Company and 35% by Teemall Department Stores, was set up in 1995 pursuant to a joint venture agreement between the parties. AEON GD has been operating the retail businesses in the Guangdong Province since 1995, which has successfully accumulated a substantial and valuable customer base, and achieved satisfactory business results. As Teemall Department Stores, a PRC state-owned company, intends to exit its investment in AEON GD, the Company believes that this represents a good opportunity for the Group to further increase its shareholding in AEON GD. The Company believes that through the increase in shareholding of AEON GD which will result in the Company holding 100% of equity interests in AEON GD, it will be better able to integrate and streamline its operation of the stores controlled by AEON GD with the other stores in the PRC to achieve better economies of scale.

The Company is actively implementing a turnaround plan to revive and improve the business performance of the Group. In this connection, the Company is in the process of formulating plans to enhance the profitability of AEON GD, including strategic restructuring and optimisation of store locations and operations in the PRC. If a new party were to purchase the Target Interest, the implementation of the turnaround plan may be hindered as the effective implementation of such plans would require the consent from the new joint venture party. The Board considers that, upon completion of the Proposed Acquisition resulting in the Company holding 100% equity interest in AEON GD, the Company will be in a better position to align, integrate and rationalise the operations of the stores operated by AEON GD with the Group's other store operations in the PRC, thereby enhancing operational efficiency and capturing economies of scale.

Taking into account the above factors, the Directors are of the view that the terms of the Proposed Acquisition are on normal commercial terms and are fair and reasonable and in the interests of the Company and its Shareholders as a whole. None of the Directors has a material interest, and none of the Directors was required to abstain from voting on the resolutions in relation to the Proposed Acquisition.

IMPLICATIONS UNDER THE LISTING RULES

As at the date of this announcement, AEON GD is held as to 65% by the Company and 35% by Teemall Department Stores. AEON GD is a non-wholly owned subsidiary of the Company and Teemall Department Stores is therefore a substantial shareholder of a subsidiary of the Company. Accordingly, Teemall Department Stores is a connected person of the Company at the subsidiary level under Rule 14A.07(1) of the Listing Rules. If the Company is successful with the bidding at the Public Tender, the Proposed Acquisition will constitute a connected transaction of the Company under Chapter 14A of the Listing Rules. As (i) Teemall Department Stores is a connected person of the Company at the subsidiary level; and (ii) the Board (including the independent non-executive Directors) has considered, confirmed and approved that the Proposed Acquisition is on normal commercial terms and the terms of the Proposed Acquisition are fair and reasonable and in the interests of the Group and the Shareholders as a whole, pursuant to Rule 14A.101 of the Listing Rules, the Proposed Acquisition is subject to the reporting and announcement requirements but is exempt from the circular, independent financial advice and Shareholders' approval requirements under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio as defined under the Listing Rules in respect of the transactions contemplated under the Proposed Acquisition is more than 100%, the Proposed Acquisition shall constitute a very substantial acquisition for the Company and is subject to the notification, announcement, circular and shareholders' approval requirements under Chapter 14 of the Listing Rules.

CIRCULAR

A circular containing, among other things, (i) further details of the Proposed Mandate, the Proposed Acquisition and the relevant equity transfer agreement; (ii) the financial information of AEON GD; (iii) the unaudited pro-forma financial information of the Enlarged Group; (iv) the details of the Valuation Report; (v) the notice of EGM; and (vi) other information as required under the Listing Rules is expected to be despatched to the Shareholders no later than 23 April 2026.

EGM

The Company will seek approval at the EGM for the Proposed Mandate. As far as the Directors are aware, none of the Shareholders has a material interest in the Proposed Mandate which is different from those of other Shareholders. As such, no Shareholder is required to abstain from voting in respect of the proposed resolution to approve the Proposed Mandate at the EGM. At the EGM, ordinary resolutions approving the Proposed Mandate and the transactions contemplated thereunder shall be proposed and, if thought fit, approved by the Shareholders.

As the Proposed Acquisition is subject to the result of public tender, the Proposed Acquisition may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

DEFINITIONS

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

"AEON GD" or "Target Company"	Guangdong AEON Teem Co., Ltd. (廣東永旺天河城商業有限公司), a company incorporated in the PRC and owned as to 65% by the Company and 35% by Teemall Department Stores
"Assets and Equity Exchange"	Guangdong United Assets and Equity Exchange (廣東聯合產權交易中心), an exchange platform for the trading of assets and equities of State-owned enterprises under the central government of the PRC
"Bid"	the bid proposed to be submitted by the Company in the Public Tender for the acquisition of the Target Interest from Teemall Department Stores
"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
"EGM"	the extraordinary general meeting of the Company to be convened and held for the purpose of considering and, if thought fit, granting the Proposed Mandate to the Directors
"Enlarged Group"	the Group as enlarged by AEON GD immediately upon the completion of the Proposed Acquisition
"Group"	the Company and its subsidiaries
"Guangdong Government"	the People's Government of Guangdong Province, the PRC (中國廣東省人民政府)
"Guangdong Holdings"	Guangdong Holdings Limited* (廣東粵海控股集團有限公司), a company established in the PRC with limited liability
"Guangdong Investment"	Guangdong Investment Limited, a company listed on the Stock Exchange (stock code: 270)

"Guangdong Investment Announcement"	the announcement of Guangdong Investment dated 30 March 2026
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
"Maximum Bid Price"	the maximum bid price to be submitted by the Company for the acquisition of the Target Interest from Teemall Department Stores
"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
"Proposed Acquisition"	the submission of the Bid for the possible acquisition of the Target Interest by the Company from Teemall Department Stores
"Proposed Mandate"	the general mandate to be granted in advance by the Shareholders at the EGM to the Directors to enter into and complete the Proposed Acquisition
"Public Tender"	the proposed public tender for the Target Interest through the Assets and Equity Exchange
"Reserve Price"	the minimum bid price of RMB152,184,700 for the Target Interest at the Public Tender which was set by the Vendor as disclosed in the Guangdong Investment Announcement
"RMB"	renminbi, the lawful currency of the PRC
"Shareholder(s)"	holders of the shares of the Company from time to time
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Target Interest"	a total of 35% of the equity interests of AEON GD held by Teemall Department Stores
"Teemall Department Stores" or "Vendor"	Guangdong Yuehai Teemall Department Stores Holdings Limited* (廣東粵海天河城百貨發展有限公司), a company incorporated in the PRC with limited liability and a shareholder of AEON GD

"Teem Holding"	GDH Teem (Holdings) Limited* (廣東粵海天河城（集團）股份有限公司), a company incorporated in the PRC with limited liability
"Transaction Confirmation"	has the meaning given under paragraph titled Process of the Public Tender and Completion
"Valuation Report"	the valuation report prepared by Jones Lang Lasalle Corporation Appraisal and Advisory Limited, a firm of independent professional valuers
"%"	per cent.

* *the English names of the addresses situate at or entities incorporated in the PRC are translation of their respective Chinese addresses or company names for the purpose of identification only*

Unless otherwise indicated, the exchange rate of HK$1.13=RMB1.00 has been used, where applicable, for the purpose of illustration only and does not constitute a representation that any amount has been, could have been or may be exchanged at such rate or at any other rates.

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

Hong Kong, 13 April 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. Toshiya Goto, Mr. Hiroyuki Inohara and Mr. Yasutoshi Yokochi; and the Independent Non-executive Directors are Mr. Hideto Mizuno, Ms. Shum Wing Ting and Ms. Wong Mei Ling.