

THIS MASTER AGREEMENT is made on the 25<sup>th</sup> day of July 2023

**BETWEEN:-**

(1) **AEON STORES (HONG KONG) CO., LIMITED**, a company incorporated in Hong Kong, whose registered office is situated at G-4 Floor, Kornhill Plaza (South), 2 Kornhill Road, Hong Kong (the “**Company**”, together with its subsidiaries, the “**Company Group**”);

and

(2) 永旺数字科技有限公司 (formerly known as “**AEON 信息系统集成 (杭州) 有限公司**”, i.e. “**AEON INTEGRATED BUSINESS SERVICE CHINA CO., LIMITED.**”) a company registered in the People’s Republic of China, whose registered office is situated at 1702, 17 Floor, Building A, No.369 Wulianwang Street, Binjiang District, Hangzhou, China (“**DMC**”).

**WHEREAS:-**

(A) The Company is a company whose shares are listed on the main board of the Stock Exchange (as defined below). The Company Group is principally engaged in the operations of general merchandise stores in Hong Kong and the PRC. DMC is principally engaged in 一般项目：技术服务、技术开发、技术咨询、技术交流、技术转让、技术推广；软件外包服务；计算机软硬件及辅助设备批发；计算机软硬件及辅助设备零售；软件开发；国内货物运输代理；国际货物运输代理；无船承运业务；航空国际货物运输代理；互联网销售；第一类医疗器械销售；第二类医疗器械销售；医护人员防护用品批发；医用口罩批发。许可项目：货物进出口；技术进出口；第二类增值电信业务；保健食品销售；互联网信息服务（英文翻译：General items: technical service, technology development, technical consultation, technical exchange, technology transfer, technology promotion; software outsourcing service; wholesale of computer hardware and software and auxiliary equipment; retail of computer software and hardware and auxiliary equipment; software development; domestic cargo transportation agency; international cargo transportation agency; NVOCC; air international cargo transportation agency; Internet sales The first category of medical equipment sales; the second category of medical equipment sales; medical personnel protective equipment wholesale; medical masks wholesale. Licensing projects: import and export of goods; technology import and export; value-added telecommunications business of the second category; sales of health food; Internet information services) .

(B) DMC is an indirect wholly owned subsidiary of AEON. AEON is also the controlling shareholder of the Company within the meaning of the Listing Rules (as defined below). Therefore, DMC is a connected person of the Company by virtue of it being an associate of a controlling shareholder of the Company. The provision of the Services (as defined below) by DMC to the members of the Company Group from time to time have, and

will, constitute continuing connected transactions of the Company Group under the Listing Rules and is therefore subject to the applicable requirements of the Listing Rules.

- (C) The Parties are entering into this Agreement to set out the terms and conditions upon which any member of the Company Group and DMC may enter into Contracts (as defined below) and upon which the Services are to be provided in future.

**IT IS HEREBY AGREED** as follows:-

**1. DEFINITIONS AND INTERPRETATION**

- 1.1 In this Agreement, the following terms shall, unless the context otherwise requires, have the following meanings:

“AEON”	AEON Co., Ltd., a company incorporated in Japan with limited liability and the issued shares of which are listed on the Tokyo Stock Exchange;
“AEON Group”	AEON together with its subsidiaries and associates and, unless the context otherwise requires, excluding the Company Group;
“Actual Costs”	all costs incurred in relation to the Services provided by DMC and paid or payable by DMC to parties who are Independent Third Party of AEON Group, its subsidiaries and/or associates, which costs may include direct costs such as DMC’s personnel expenses, external vendors’ costs, equipment and/or software costs, license fees, operational costs and other indirect or common costs allocated to the Users of the relevant Services on an equitable basis.
“Agreement”	this agreement including the schedule hereto, as the same may be amended and/or supplemented from time to time;
“Annual Cap”	the maximum aggregate amount payable by the Company Group to DMC on an annual basis in respect of this Agreement and the transactions contemplated hereunder;
“connected person”	shall have the same meaning as ascribed to such expression in the Listing Rules;
“connected transaction”	has the meaning ascribed to it in the Listing Rules;
“continuing connected transaction”	has the meaning ascribed to it in the Listing Rules;

“Contract”	the separate agreement(s) to be entered into between any member of the Company Group of one part and DMC of the other part in respect of the provision of such Services as may be required by the Company and/or the member of the Company Group from time to time;
“controlling shareholder”	shall have the same meaning as ascribed to such expression in the Listing Rules;
“Hong Kong”	means the Hong Kong Special Administrative Region of the People’s Republic of China;
“Independent Third Party(ies)”	means individual(s) or company(ies) who is/ are not connected person (within the meaning of the Listing Rules) of the Company (or, if the context requires, the AEON Group) and is/are independent of and not connected with the Company (or, if the context requires, the AEON Group) and its connected persons;
“Listing Rules”	The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited;
“Member(s)”	member(s) of the Company Group
“Parties”	means the parties to this Agreement;
“PRC”	means the People’s Republic of China which for the purpose of this Agreement does not include Hong Kong, Macau and Taiwan;
“Services”	such services including but not limited to consultancy, design, development, enhancement, planning, project management, vendor selection and/or management, operation, training, management and maintenance services relating to the Company Group’s information technology systems, infrastructure, network, platforms, equipment, applications and software and such other services as may be agreed between the Members and DMC from time to time;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“subsidiary”	shall have the same meaning as ascribed to such expression in the Companies Ordinance (Chapter 622) of the Laws of Hong Kong; and
“User(s)”	parties who are using DMC’s Services

1.2 References herein to Clauses, Recitals and Schedules are to clauses in, recitals of and schedules to this Agreement unless the context requires otherwise and the Recitals and Schedules shall form part of this Agreement.

1.3 Unless the context requires otherwise, words importing the singular include the plural and vice versa, words importing a gender include every gender and references to any person shall include references to an individual, firm, corporations and unincorporated associations.

## **2. PROVISION OF SERVICE**

2.1 The Parties acknowledge that the relevant Member(s) may from time to time engage service provider(s) for the Services.

2.2 Such selection process may take the form of (i) direct negotiation between the relevant Member(s) and DMC in respect of the Actual Costs involved, in which case the Services shall be charged on a cost-plus basis (“Cost Basis Transaction”); or, (ii) where appropriate, a tendering procedure conducted on an arm’s length basis among DMC and at least two other Independent Third Party service providers (“Tendering Basis Transaction”).

2.3 Where the DMC is willing to provide and the Member(s) is/are willing to engage DMC for the relevant Services, the relevant parties shall enter into a Contract to this effect, and the Parties agree that the terms of such Contract shall be on normal commercial terms, on an arm’s length basis and on comparable terms, where applicable, to which the Users procure services from Independent Third Parties and to which DMC provides services to others.

2.4 Each Contract shall be entered into pursuant to the terms and conditions set out in this Agreement and adopt the respective User’s standard terms and conditions prevailing at the time of execution of the Contract. Such Contracts shall contain or be hereby deemed to have incorporated the following conditions and/or agreements by DMC:

- (a) that the services provided shall comply with all applicable legal requirements and safety standards;
- (b) that the prices offered by DMC shall be no less favourable than the prices available in market for the same or similar services and/or materials or the prices offered by DMC to others for the same or similar services and/or materials;
- (c) that DMC shall, upon request by the Company and/or the relevant Member and within the reasonable period of time, provide such market information at the material time and for the relevant Services and/or materials or information of DMC’s relevant Services to other Users; and
- (d) that the Company and/or the relevant Member shall have the right, after sending the reasonable written notice from the Company with practical and reasonable

audit scope to be discussed by the parties in good faith before commencing such audit in line with different types of business model, to audit, cross check and verify the books, records, financial practice, business and operational flow and practice, electronic/computer system(s) of DMC, including all information and documents relating to DMC's direct and indirect costs supporting the billing of these services or costs or any charges by DMC and to audit and monitor the performance by DMC of its respective obligations pursuant to the relevant Contracts. Throughout the process, DMC shall fully co-operate with, make complete disclosure with total candor and in good faith and provide all information and documents.

### **3. PRICING POLICY**

3.1 When determining which pricing basis to use, the Member(s) will take the following factors into consideration:

- (a) Nature and uniqueness of the Services required;
- (b) The costs and time required to develop or deploy the Services;
- (c) Whether the business processes and the user requirements which the Services relate to are commonly applicable to other members of the AEON Group;
- (d) Whether it may create synergy effect and/or save costs by deploying ADMC's Services together with other members of the AEON Group;
- (e) Specific factors applicable to the particular Services required;

3.2 This sub-clause applies to Cost Basis Transactions:

- (a) Under each Contract, the DMC shall provide and the User(s) shall engage the relevant Services at such price being the Actual Costs plus a mark-up rate of not more than 10% of the Actual Costs, and the prices offered by the DMC shall be no less favourable than, where applicable, (i) the prices available in the market for the same or similar services and (ii) the prices offered by the DMC to its other user(s).
- (b) Notwithstanding the above, in respect of Actual Costs which consist solely of DMC's personnel expenses, DMC shall apply a mark-up rate of not more than 5% of the Actual Costs.
- (c) In a particular Contract, where the particular Actual Cost is incurred by DMC solely and exclusively for a Member, such Actual Cost shall be applied directly.
- (d) In a particular Contract, where the particular Actual Cost is not incurred by DMC solely and exclusively for a Member, such Actual Cost shall be apportioned and allocated by DMC on a fair and equitable basis among all persons deriving benefit from such Actual Cost and on the following basis as may be applicable:
  - (i) Where all Users are using the full functionality as derived from that Actual Cost, the particular Actual Costs shall be apportioned among all Users in equal shares;

- (ii) Where all Users are using the functionality as derived from that Actual Cost at varying usage level, the particular Actual Cost shall be apportioned among all Users by reference to the actual usage of the respective User;
- (iii) Where the Actual Cost relates to number of hardware, licenses and/or users, the Actual Cost shall be apportioned among the Users in accordance with such number of hardware, licenses and/or users;
- (iv) Where the Actual Cost relates to usage and maintenance, such Actual Cost shall be apportioned by reference to the level of usage (if readily available) or, as an alternative, to the number of transactions or sales turnover or number of licenses, machines and/or users incidental to and/or arising out of such Actual Costs and as may be appropriate in the circumstances.

3.3 This sub-clause applies to Tendering Basis Transactions:

- (a) The relevant Member(s) shall evaluate the quotations received from DMC and at least two other independent third-party service providers according to the same pre-determined assessment criteria, which may include factors such as their background and reputation, price, scope and quality of services offered and any existing business relationship with the Company Group;
- (b) Contract shall only be awarded to the successful bidder of the tendering procedure.

3.4 Where appropriate, DMC may charge the price by lump sum payment, by instalments, by monthly or annually fees or in such other manner as the parties may mutually agree provided always that the net amount or the annual aggregated amount (as the case may be) payable by Members shall not in any event be more than the due share payable by Members calculated in accordance with the pricing policy herein contained.

3.5 Taking into account factors including volume of usage, promotions from manufacturers, its own budgets, results and profits earned, DMC agrees to grant such rebate to the respective Users as may from time to time be applicable and as may be agreed mutually between DMC and the respective Users.

3.6 The total sum of fees to be paid under all Contracts between the Company Group and DMC in any financial year of the Company shall not exceed the Annual Cap as disclosed (or revised) by the Company in accordance with the Listing Rules.

#### **4. CONFIDENTIALITY**

4.1 DMC acknowledges that all information and data inputted, processed, handled, transmitted, received, generated, analysed and/or stored by DMC and/or any equipment, systems, servers and in any media or form managed or service by DMC shall remain property of the respective member of the Company Group.

- 4.2 Each of the Parties acknowledges that all information and data received or exchanged between the Parties pursuant to this Agreement are sensitive and confidential in nature and undertakes to each other that each of them shall keep strictly confidential all the information and data so received or exchanged and subject to Clause 0, each Party shall not, and shall procure that its officers, employees, agents and associated companies shall not use or disclose any such confidential information and data to any other person.
- 4.3 A Party may disclose information which would otherwise be confidential if and to the extent:-
- (a) required by law or by an order of a court of competent jurisdiction;
  - (b) required by any securities exchange or regulatory or governmental body to which such Party is subject or submits, wherever situated, including without limitation, the Stock Exchange;
  - (c) disclosed to the officers, employees, agents and associated companies of such Party who require such information and data for performing the obligations under this Agreement;
  - (d) disclosed to the professional advisers and auditors of such Party subject to an obligation of confidentiality; or
  - (e) the Party to whom the information relates has given prior written approval to the disclosure.

## **5. COMMENCEMENT AND TERM**

- 5.1 Where applicable, subject to the Conditions Precedent below, this Agreement shall take effect from 30 August 2023 and shall continue for 3 years thereafter.
- 5.2 The Parties may, subject to compliance with the Listing Rules, renew this Agreement on such terms and conditions as the Parties may mutually agree.
- 5.3 Where applicable, notwithstanding execution by the parties hereto, this Agreement is conditional upon (i) the obtaining of the approval from the Company's independent shareholders of this Agreement, the transactions contemplated under this Agreement and the Annual Caps; and (ii) each of this Agreement and all the transactions contemplated hereunder respectively by both of the parties hereto being in compliance with all applicable requirements under the Listing Rules ("Conditions Precedent"). For the avoidance of doubt, should this Agreement fail to fulfil the Conditions Precedent as conclusively certified in writing by the respective party to the other party, this Agreement shall immediately become null and void and the parties hereto shall have no claims against each other whatsoever save as to antecedent breach.

## **6. TERMINATION**

- 6.1 This Agreement may be terminated by 3 month's prior written notice by either Party, provided that such termination shall be without prejudice to the accrued rights and liabilities of either Party prior to the date of such termination.

6.2 On termination of this Agreement, each Contract then in force shall nevertheless continue in full force and effect for the remainder of the term of such Contract, unless terminated in accordance with the terms of such Contract.

6.3 Termination of any Contract in accordance with its respective terms and conditions shall not affect any other Contract or this Agreement.

**7. SUCCESSORS AND ASSIGNS**

This Agreement may not be assigned or otherwise transferred by any Party without the prior written consent of the other Party. This Agreement shall be binding upon each Party's successors and permitted assigns.

**8. AMENDMENT**

This Agreement shall not be amended, modified, varied or supplemented except in writing and signed by the Parties hereto.

**9. COUNTERPARTS**

This Agreement may be executed in any number of copies or counterparts, each of which when so signed and delivered shall be deemed an original, but all the counterparts shall together constitute one and the same instrument.

**10. GOVERNING LAW AND JURISDICTION**

This Agreement shall be governed by and construed in accordance with the laws of Hong Kong, and the Parties hereby agree to submit to the non-exclusive jurisdiction of the courts of Hong Kong. Any dispute arising out of any of the Contracts shall be governed by the choice of laws as expressly stated in the Contract or, in the absence of a choice of laws clause, by the laws of the User's country of incorporation.

IN WITNESS whereof the Parties have executed this Agreement on the date first above written.

SIGNED by *Takenori Nagashima*  
          *Managing Director*  
for and on behalf of )  
**AEON STORES (HONG KONG) CO.,** )  
**LIMITED** )  
in the presence of )

*長島武徳*



*+* *file.*  
Lam Yuk  
Solicitor, Hong Kong SAR  
*AEON Stores (HK) Co., Ltd.*



SIGNED by

for and on behalf of  
永旺数字科技有限公司  
in the presence of

