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# NIRAKU GC HOLDINGS

株式会社ニラク・ジー・シー・ホールディングス

**NIRAKU GC HOLDINGS, INC.\***

*(Incorporated in Japan with limited liability)*

**(Stock Code: 1245)**

## INTERIM DIVIDEND FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2022

### A. SUMMARY

- On 25 November 2022, the board of directors (the “**Board**”) of 株式会社ニラク・ジー・シー・ホールディングス NIRAKU GC HOLDINGS, INC.\* (the “**Company**”) declared an interim dividend of ¥0.17 or HK\$0.009 (the “**Interim Dividend**”) per common share of the Company (the “**Share**”), payable on 12 January 2023 to the shareholders of the Company (the “**Shareholders**”) whose names appear on the share register of the Company at the close of business on 9 December 2022 (the “**Record Date**”).
- The interim results of the Company and its subsidiaries for the six months ended 30 September 2022 have been announced on the websites of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) (<http://www.hkexnews.hk>) and the Company (<http://www.ngch.co.jp>) on 25 November 2022.
- Based on the average of the exchange rates (telegraphic transfer middle rates) published by Mizuho Bank, Ltd. for the five business days immediately preceding the date of this announcement (being 17 to 18 November 2022, 21 to 22 November 2022 and 24 November 2022), the exchange rate for conversion of Japanese yen to Hong Kong dollars for the Interim Dividend to be distributed to the Shareholders in Hong Kong dollars is ¥1 to HK\$0.0557.
- All CCASS Beneficial Owners will receive the Interim Dividend payments in Hong Kong dollars.

- Interim Dividend payments will be subject to Japanese withholding tax at the applicable rates set out in sections C or D below. Shareholders holding the Shares in their own names and outside CCASS residing in Japan are not entitled to withholding tax refund relating to the Interim Dividend. The Company will apply the applicable withholding tax rate and withhold taxes according to, amongst others, such Shareholder's identity (i.e. individual or corporation) prior to Interim Dividend payment.
- Shareholders who hold the Shares in their own names and outside CCASS residing in Hong Kong may apply for reduced withholding tax rates under the Agreement between the Government of the Hong Kong Special Administrative Region of the People's Republic of China and the Government of Japan for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income dated 9 November 2010 (the "**Hong Kong-Japan Tax Treaty**"). Further, Shareholders who hold the Shares in their own names and outside CCASS residing outside Japan and Hong Kong may also apply for reduced withholding tax rates under a tax treaty between Japan and their respective tax residencies, if applicable. In order to be entitled to a reduced withholding tax rate under any valid tax treaty with Japan, Shareholders must submit the relevant application forms and required documents on or before 16 December 2022. Shareholders who are unable to submit the relevant application forms and required documents by the prescribed deadline may request for a *post-facto* refund of the amount withheld in excess of the maximum withholding tax under any applicable tax treaty. For details of the procedures and required documents for these applications, see section E below.
- CCASS Beneficial Owners who wish to obtain a refund of tax withheld in excess on the Interim Dividend payments under Japan tax law must send the refund application forms and the required documents to the Company's office (the address of which is set out on the last page of this announcement) on or before 31 March 2023 pursuant to the filing procedures set out in section F below.
- Since the application for reduced withholding tax rate under a tax treaty, the application for a refund of tax withheld in excess of the applicable withholding tax under a tax treaty, and the application for a refund of tax withheld in excess of the applicable withholding tax under the Japan tax law are subject to the approval of Japan's National Tax Agency\* (国税庁) (the "**NTA**"), it should be noted that there may be delays in obtaining the approval or that the application may not be approved by the NTA. The NTA may also request additional information in order to process the applications.
- CCASS Beneficial Owners holding the Shares in account(s) maintained with any securities companies in Japan may be subject to additional withholding tax under Japan tax law. For details, please contact the securities companies with whom you maintain the relevant account(s).

- This announcement is published for information purposes only and is not intended to be, nor should it be construed as, legal or tax advice. If you are in doubt as to any aspect of this announcement or as to the action to be taken, you should seek independent professional advice on the tax implications associated with investing in the Shares.

## **B. INTERIM DIVIDENDS**

Unless the context requires otherwise, capitalised terms used herein shall have the same meanings as ascribed to them in the prospectus of the Company dated 24 March 2015 (the “**Prospectus**”).

### **Interim Dividend and Interim Results**

On 25 November 2022, the Board declared the Interim Dividend of ¥0.17 or HK\$0.009 per Share, payable on 12 January 2023 to the Shareholders.

The interim results of the Company and its subsidiaries for the six months ended 30 September 2022 have been published on the websites of the Stock Exchange (<http://www.hkexnews.hk>) and the Company (<http://www.ngch.co.jp>) on 25 November 2022.

### **Record Date for Distributing Dividends**

The Interim Dividend will be payable to the Shareholders whose names appear on the Company’s share register at the close of business on 9 December 2022.

In order for those Shareholders whose names have not been registered on the Company’s share register to be qualified for the Interim Dividend, if any, all properly completed and duly stamped and executed transfer forms accompanied by the relevant share certificates should be lodged with the Company’s Hong Kong share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong before 4:30 p.m. (Hong Kong time) on Friday, 9 December 2022.

### **Currency of Dividend Payments**

Please refer to the separate announcement to be made by the Company on the Record Date.

## **Exchange Rate**

Based on the average of the exchange rates (telegraphic transfer middle rates) published by Mizuho Bank, Ltd. for the five business days immediately preceding the date of this announcement (being 17 to 18 November 2022, 21 to 22 November 2022 and 24 November 2022), the exchange rate for conversion of Japanese yen to Hong Kong dollars for the Interim Dividend to be distributed to Shareholders in Hong Kong dollars is ¥1 to HK\$0.0557.

## **Interim Dividend Amount in Hong Kong Dollars**

### *(1) Gross Interim Dividend Amount*

The gross Interim Dividend amount in Hong Kong dollars per Share is HK\$0.009 based on the exchange rate as stated above.

### *(2) Net interim Dividend Amount*

As detailed later in this announcement, the net Interim Dividend amount in Hong Kong dollars per Share will vary depending on the identity, shareholding percentage and tax residence of each individual Shareholder. Any foreign exchange commission will not be applied to the Interim Dividend. Conversion of Japanese yen to Hong Kong dollars will be applied after the deduction of the applicable withholding tax amount.

### *(3) Rounding*

The final amount of the total net Interim Dividend amount actually received by each Shareholder is subject to rounding.

## C. WITHHOLDING TAX APPLIED TO SHAREHOLDERS

Set out below are the Japan withholding tax rates applicable to the Interim Dividend payments to the Shareholders (other than CCASS Beneficial Owners) under Japan tax law.

### Shareholder holding the Shares in his own name and outside CCASS

	<b>Individual Shareholder that is interested in less than 3% of total number of issued Shares</b>	<b>Individual Shareholder that is interested in 3% or more of the total number of issued Shares</b>	<b>Corporate Shareholder</b>
Shareholder who is either a resident in Japan or a company incorporated in Japan <sup>(1)</sup>	20.315%	20.420%	15.315%
Shareholder who is not a resident in Japan or a company incorporated in Japan	15.315%	20.420%	15.315%

<sup>(1)</sup> Shareholders holding the Shares in their own names and outside CCASS residing in Japan are not entitled to withholding tax refund. The Company will apply the applicable withholding tax rate under Japan tax law as shown above.

In the presence of any applicable valid tax treaty between Japan and the Shareholders' respective tax residence applies, Shareholders may enjoy a reduced withholding tax rate. Set out below is a table showing the maximum withholding tax rate applied pursuant to the Hong Kong-Japan Tax Treaty for the purposes of illustration.

## Maximum withholding tax rate under the Hong Kong-Japan Tax Treaty

A company that has owned directly or indirectly, for the period of six months ending on the Record Date, at least 10% of the voting Shares paying the dividend	5%
Other Hong Kong residents	10%

Shareholders who are Hong Kong residents who wish to be entitled to a reduced withholding tax rate under the Hong Kong-Japan Tax Treaty should refer to section E below for the required procedures to be entitled to a reduced withholding tax rate. In case such Hong Kong resident Shareholders have not established their eligibility to the satisfaction of the NTA pursuant to the procedures as set out in section E below, the Company will apply the withholding tax rate as described in the table "Shareholder holding the Shares in his own name and outside CCASS" above.

Shareholders residing outside Japan who wish to be entitled to a reduced withholding tax rate under any valid tax treaty with Japan are strongly advised to consult their professional advisers as to the application of any valid tax treaty between Japan and their respective tax residences. The Company does not assume any responsibility to ensure withholding is made at the reduced treaty rate or to ensure no withholding is made for Shareholders who would be so eligible under any applicable tax treaty.

## D. WITHHOLDING TAX APPLIED TO CCASS BENEFICIAL OWNERS

### General

Reference is made to the section headed “Key Japan Legal and Regulatory Matters” in the Prospectus. The Company is unable to apply a withholding tax rate on an individual basis to CCASS Beneficial Owners in accordance with their identities, shareholding percentage and tax residences due to the inherent characteristics of CCASS. As such, the Company will withhold the highest possible withholding tax under Japan law on the Interim Dividend payable to CCASS Beneficial Owners.

### Hong Kong resident CCASS Beneficial Owners

CCASS Beneficial Owners who are either residents in Hong Kong or corporations incorporated in Hong Kong will be subject to a withholding tax rate of 20.420%, which is the highest possible withholding tax rate under Japan law. However, such Shareholders may claim a refund of taxes withheld in excess of the applicable rate as set out in the table below from the NTA following the applicable filing procedures set out in section F below.

	<b>Highest possible withholding tax rate initially applied by the Company</b>	<b>Maximum tax rate on individual basis</b>	<b>Highest possible rate of refund of taxes withheld in excess of the applicable rate</b>
Individual Shareholder that is interested in less than 3% of the total number of issued Shares	20.420%	15.315%	5.105%
Individual Shareholder that is interested in 3% or more of the total number of issued Shares	20.420%	20.420%	0.000%
Corporate Shareholder	20.420%	15.315%	5.105%

## Japanese resident CCASS Beneficial Owners

(1) *CCASS Beneficial Owners who do not hold the Shares in an account maintained with a securities company in Japan*

CCASS Beneficial Owners who are either residents in Japan or corporations incorporated in Japan who do not hold the Shares in an account maintained with a securities company in Japan will be subject to a withholding tax of 20.420%, which is the highest possible withholding tax rate under Japan law. However, they may claim a refund of taxes withheld in excess of the applicable tax rate set out in the table below from the NTA after following the applicable filing procedures set out in section F below.

	<b>Highest possible withholding tax rate initially applied by the Company</b>	<b>Applicable tax rate on individual basis</b>	<b>Highest possible rate of refund of taxes withheld in excess of the applicable rate</b>
Individual Shareholder that is interested in less than 3% of the total number of issued Shares	20.420%	20.315%	0.105%
Individual Shareholder that is interested in 3% or more of the total number of issued Shares	20.420%	20.420%	0.000%
Corporate Shareholder	20.420%	15.315%	5.105%



(2) *CCASS Beneficial Owners who hold the Shares in an account maintained with a securities company in Japan*

A Japanese resident CCASS Beneficial Owner who beneficially holds the Shares in an account maintained with any securities company in Japan may be subject to withholding by such securities company in addition to withholding by the Company. In such event, they may claim a refund of taxes withheld in excess of the applicable tax rate set out in the table below from the NTA by following the applicable filing procedures set out in section F below.

	<b>Highest possible withholding tax rate initially applied by the Company</b>	<b>Withholding tax rate applied by securities companies in Japan</b>	<b>Applicable tax rate on individual basis</b>	<b>Highest possible rate of refund of taxes withheld in excess of the applicable rate</b>
Individual Shareholder that is interested in less than 3% of the total number of issued Shares	20.420%	20.315%	20.315%	20.420%
Individual Shareholder that is interested in 3% or more of the total number of issued Shares	20.420%	20.420%	20.420%	20.420%
Corporate Shareholder	20.420%	15.315%	15.315%	20.420%

## CCASS Beneficial Owners other than Japanese or Hong Kong residents

CCASS Beneficial Owners who are neither residents in Japan or Hong Kong nor corporations incorporated in Japan or Hong Kong will be subject to a withholding tax rate of 20.420%, which is the highest possible withholding tax rate under Japan law. However, they may claim a refund of taxes withheld in excess of the applicable rate set out in the table from the NTA after following the applicable filing procedures set out in section F below.

	Highest possible withholding tax rate initially applied by the Company	Applicable tax rate on individual basis	Highest possible rate of refund of taxes withheld in excess of the applicable rate
Individual Shareholder that is interested in less than 3% of the total number of issued Shares	20.420%	15.315%	5.105%
Individual Shareholder that is interested in 3% or more of the total number of issued Shares	20.420%	20.420%	0.000%
Corporate Shareholder	20.420%	15.315%	5.105%

## E. PROCEDURES AND DOCUMENTARY REQUIREMENTS FOR SHAREHOLDERS TO MAKE A CLAIM UNDER A TAX TREATY

### General

The Company has confirmed with the NTA that the documents set out below will be required in order to make a claim under a tax treaty. Please note that the requirements set out below would only be applicable to the Interim Dividend and may vary for subsequent dividends and distributions declared by the Company. Shareholders are strongly advised to consult their professional advisers if they are in any doubt as to the implications of the Hong Kong-Japan Tax Treaty or any other tax treaty or the application process for any reduced rates on the Interim Dividend made by the Company.

- Shareholders residing outside Japan who wish to get the benefit of reduced or exempted domestic withholding income tax under any tax treaty concluded between a country of a non-resident Shareholder and Japan such as the Hong Kong-Japan Tax Treaty, and who are registered on the share register of the Company on the Record Date (the “**Foreign Shareholders**”) are required to submit the “APPLICATION FORM FOR INCOME TAX CONVENTION” (the “**Application of Tax Convention Form**”), which is available at the website of the NTA, to the regional taxation office exercising jurisdiction over the head office of the Company via the Company pursuant to the provisions of the relevant tax treaty.
- If a Foreign Shareholder applies for the application of any tax treaty that has limitation on benefits article, the “ATTACHMENT FORM FOR LIMITATION ON BENEFITS ARTICLE” (the “**Attachment Form**”) and a “residency certification” issued by competent authority of country of residence (the “**Residency Certification**”) must be submitted along with the Application of Tax Convention Form. Please note that as of the date hereof, the Hong Kong-Japan Tax Treaty does not have limitation on benefits article.
- A Foreign Shareholder who is unable to submit the Application of Tax Convention Form and other required documents by the deadline may obtain a *post-facto* refund from the NTA of the amount withheld in excess of the withholding tax amount pursuant to an applicable tax treaty.
- The NTA has confirmed that at this moment, CCASS Beneficial Owners cannot make a claim under a tax treaty, because CCASS Beneficial Owners cannot be identified since their names, addresses and other information to identify them are not available. Please note however that CCASS Beneficial Owners residing outside Japan can make a claim for tax refund as described in section F below.

## **Procedures and Documentary Requirements to Apply for Application of Income Tax Treaty**

Foreign Shareholders are required to submit an Application of Tax Convention Form duly completed and a copy thereof, which must reach the Company on or before 16 December 2022. If a relevant tax treaty has limitation on benefits article, an Attachment Form and a Residency Certification (certification must have been issued within one year prior to the showing) are also required. The required documents must be sent to the Company's office in Japan at **2-1-24, Hohaccho, Koriyama-shi, Fukushima, Japan 963-8811 (attention: Megumi WAKAMATSU and Yoshitatsu TACHI)**, or the Company's office in Hong Kong at **Room 805B, 8/F, Tsim Sha Tsui Centre, 66 Mody Road, Tsim Sha Tsui, Kowloon, Hong Kong**. A Foreign Shareholder who has already submitted an Application of Tax Convention Form does not need to re-submit an Application of Tax Convention Form again unless there is any change to any material information such as name and address.

## **Procedures and Documentary Requirements to Request for Refund of Excess Withholding Tax in accordance with the Income Tax Treaty**

A Foreign Shareholder who is unable to submit the required documents by the deadline mentioned above can request for a refund of the amount of tax withheld by the NTA minus the amount of applicable withholding tax under the relevant tax treaty by submitting in duplicate an "APPLICATION FORM FOR REFUND OF THE OVERPAID WITHHOLDING TAX", which is also available at the website of the NTA, together with an Application of Tax Convention Form prepared in duplicate (including attachment forms or documents if such attachments and documents are required), which must be sent to the Company's office in Japan at **2-1-24, Hohaccho, Koriyama-shi, Fukushima, Japan 963-8811 (attention: Megumi WAKAMATSU and Yoshitatsu TACHI)**, or the Company's office in Hong Kong at **Room 805B, 8/F, Tsim Sha Tsui Centre, 66 Mody Road, Tsim Sha Tsui, Kowloon, Hong Kong**. The required documents must reach the Company within the period from the date immediately following the payment date of the Interim Dividend up to 31 March 2023. The NTA will directly transfer tax refunds into the bank accounts of Foreign Shareholders.

## F. PROCEDURES AND DOCUMENTARY REQUIREMENTS FOR CCASS BENEFICIAL OWNERS TO REQUEST FOR REFUND OF OVERPAID WITHHOLDING TAX IN ACCORDANCE WITH JAPAN LAW

### General

The Company has confirmed with the NTA that the documents set out below will be required for the purpose of tax refund by CCASS Beneficial Owners pursuant to Japan law. Please note that the requirements set out below would only be applicable to the Interim Dividend and may vary for subsequent dividends and distributions declared by the Company. Please also note that the Company has been in discussion with the NTA regarding the applicability of any tax treaty between Japan and any other country to CCASS Beneficial Owners residing in such other country. In the event that the NTA has approved the application of tax treaty to such CCASS Beneficial Owners, the Company will publish a separate announcement describing the procedures to make a claim under tax treaty.

### Required Documents to Request for Refund of Overpaid Withholding Tax in accordance with Japan law

CCASS Beneficial Owners who wish to claim a refund of withholding tax withheld in excess on the Interim Dividend in accordance with Japan law must prepare the following documents (the “**Refund Application Documents**”)

1. “Application Form for Tax Refund” (the “**Refund Application Form**”), which will be available at the website below from date of this announcement to 31 March 2023:

[http://www.ngch.co.jp/pdf/ej/NGCH\\_tr\\_ej20221125.pdf](http://www.ngch.co.jp/pdf/ej/NGCH_tr_ej20221125.pdf)

Hard copies of the Refund Application Form are available at the following addresses, from date of this announcement to 31 March 2023:

- (1) The Company’s office in Hong Kong:

Room 805B, 8/F, Tsim Sha Tsui Centre, 66 Mody Road, Tsim Sha Tsui, Kowloon, Hong Kong

- (2) Computershare Hong Kong Investor Services Limited, the Hong Kong share registrar of the Company:

17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong

In addition, unofficial Chinese translation of the Refund Application Form will also be available at [http://www.ngch.co.jp/pdf/cn/NGCH\\_tr\\_cn20221125.pdf](http://www.ngch.co.jp/pdf/cn/NGCH_tr_cn20221125.pdf) from date of this announcement to 31 March 2023 for CCASS Beneficial Owners’ reference.

2. A notice or statement showing the number of Shares beneficially held by a CCASS Beneficial Owner as of 9 December 2022 and issued by their respective CCASS Participants;

3. A notice or statement showing the receipt of the Interim Dividend to be paid on 12 January 2023 and issued by their respective CCASS participants; and
4. If any securities company within a country or region in which a CCASS Beneficial Owner resides is involved in between, the notice or statement as described in items 2 and 3 above and issued by such securities company.

CCASS Beneficial Owners should note that, in order to process the Refund Application Documents, the NTA also requires a register of CCASS Beneficial Owners from each CCASS participant (containing such details as the name(s), address(es) of, and number of Shares beneficially held by, the CCASS Beneficial Owners), which the Company will directly obtain from the CCASS Participants.

### **Submission and Deadline**

CCASS Beneficial Owners can make tax refund applications directly or through their respective designated agents (such as their respective CCASS Participants) to the Company. In both cases, the Company will collect the Refund Application Documents and submit them to the NTA.

CCASS Beneficial Owners who wish to claim a refund of taxes withheld in excess on the Interim Dividend in accordance with Japan law shall send the Refund Application Documents to the Company's office in Japan at **2-1-24, Hohaccho, Koriyama-shi, Fukushima, Japan 963-8811 (attention: Megumi WAKAMATSU and Yoshitatsu TACHI)**. The last date on which such applications would be accepted is 31 March 2023.

### **Payment of Refund**

A CCASS Beneficial Owner will have to fill in the details of their bank account for receiving the refunds (the "**Refund Account**") in the Refund Application Form. In case a CCASS Beneficial Owner submits the Refund Application Documents to the Company through its agent, the refunds will be directly transferred to the Refund Account designated by such agent. Refunds of withholding tax will be paid in Japanese yen in principle and, if paid to CCASS Beneficial Owners residing outside Japan such as Hong Kong, automatically converted into the denominated currency of the Refund Account at an exchange rate specified by the CCASS Beneficial Owner's own bank as of the time of payment of the Interim Dividend.

## G. CONTACT INFORMATION FOR ANY OTHER RELEVANT INFORMATION

Please contact the Company if you have any queries in relation to the dividend amount, the exchange rate, the application for income tax treaty, the Refund Application Documents, and any other relevant information.

- *Head Office of the Company*

2-1-24, Hohaccho, Koriyama-shi, Fukushima, Japan 963-8811

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- *Hong Kong Office of the Company*

Room 805B, 8/F, Tsim Sha Tsui Centre, 66 Mody Road, Tsim Sha Tsui,  
Kowloon, Hong Kong  
TEL: +852-3691-8670

On behalf of the Board  
**NIRAKU GC HOLDINGS, INC.\***  
株式会社ニラク・ジー・シー・ホールディングス  
*Chairman, Executive Director and Chief Executive Officer*  
**Hisanori TANIGUCHI**

Fukushima, Japan, 25 November 2022

*As at the date of this announcement, the executive directors of the Company are Hisanori TANIGUCHI, Akinori OHISHI and Masataka WATANABE; the non-executive director of the Company is Hiroshi BANNAL; and the independent non-executive directors of the Company are Michio MINAKATA, Yoshihiro KOIZUMI, Kuraji KUTSUWATA and Akihito TANAKA.*

\* for identification purpose only