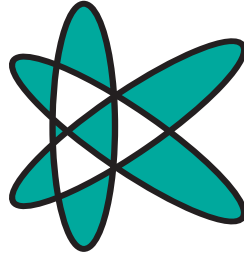


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Okura Holdings Limited

(Incorporated in Hong Kong with limited liability)

(Stock Code: 01655)

VOLUNTARY ANNOUNCEMENT BUSINESS UPDATE

This is a voluntary announcement made by Okura Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) for keeping the shareholders of the Company (the “**Shareholders**”) and potential investors informed of the latest business development of the Group.

The board (the “**Board**”) of directors (the “**Directors**”) of the Company wishes to inform the Shareholders and potential investors that its pachinko hall, K’s Plaza Ohato hall* (ケイズプラザ大波止) located at 10-5, Motofuna-machi, Nagasaki City, Nagasaki Prefecture, Japan (the “**Land**”) (“**K’s Plaza Ohato**”) will cease operations with effect from 14 January 2024. The management of the Company has decided to close down K’s Plaza Ohato having duly considered its deteriorating operating and financial performance since the outbreak of the Coronavirus Disease 2019 in Japan in January 2020 and the resulting low overall customer traffic since early 2020. The management considered that although K’s Plaza Ohato gradually managed to regain customer traffic in the year ended 30 June 2023, as compared with some of the Group’s other pachinko halls, the recovery of customer traffic at K’s Plaza Ohato is still at a slow pace despite the Group’s continuous effort in promoting its pachinko and pachislot games in K’s Plaza Ohato, and accordingly this pachinko hall continue to record losses from its business operations. Taking into account the general adverse operating landscape, the intense competition in the pachinko industry and the increasing competition from other forms of entertainment in Japan, the management considered that it will be more beneficial for the Group to focus its resources on the Group’s another pachinko hall, SENKURA Dejima (formerly known as Big Apple. Dejima) which is located close to K’s Plaza Ohato, as well as other more promising pachinko halls by enhancing customer experience there and

minimise further losses from business operations by closing down the pachinko hall with weaker performance. As the Land and the building erected on the Land (the “**Building**”) are owned by the Group, the management is considering to lease out the **Building** after the close down of K’s Plaza Ohato in order to generate rental income which can serve as the Group’s stable source of cash flow and revenue.

The Directors believe that the streamlining of resources and operations by closing down K’s Plaza Ohato and the potential leasing out of the **Building** will help stabilise and improve the Group’s financial performance in the long run, and is in the best interests of the Group and the Shareholders as a whole.

The below table sets forth the financial information of K’s Plaza Ohato for the periods indicated:

	For the year ended 30 June 2023 (unaudited) (JPY '000)	Approximate percentage contributed to the Group for the year ended 30 June 2023 (%)
K’s Plaza Ohato		
Revenue	309,104	4.9
Loss before taxation	(58,526)	—(Note)

	As at 30 June 2023 (unaudited) (JPY '000)	Approximate percentage accounted for the Group’s consolidated figures as at 30 June 2023 (%)
K’s Plaza Ohato		
Net asset value	484,714	8.5
Total asset value	1,496,395	8.2

Note: The approximate percentage of loss before taxation of K’s Plaza Ohato contributed to the Group for the year ended 30 June 2023 is not applicable as the Group recorded a profit before taxation for the year ended 30 June 2023.

Based on the information currently available to the Group, an insignificant loss on disposal of property, plant and equipment is expected to be recognised by the Group for the year ending 30 June 2024 in relation to the closure of K's Plaza Ohato. Save as disclosed above, the Board considers that the closure of K's Plaza Ohato to have no material adverse impact on the business operation and financial position of the Group.

Following the closure of K's Plaza Ohato, the Group will be operating 10 pachinko halls in the Kyushu, Kanto, Kansai and Chugoku regions in Japan.

Shareholders and potential investors should exercise caution when dealing in the securities of the Company.

For and on behalf of the Board
Okura Holdings Limited
Katsuya YAMAMOTO
*Chief Executive Officer, Executive Director and
Chairman of the Board*

Hong Kong, 9 January 2024

As at the date of this announcement, the Board comprises six Directors, of which (i) three are executive Directors, namely Mr. Katsuya YAMAMOTO, Mr. Yutaka KAGAWA and Mr. Toshiro OE; and (ii) three are independent non-executive Directors, namely Mr. Kazuyuki YOSHIDA, Ms. Mariko YAMAMOTO and Mr. Masaaki AYRES (alias Gettefeld AYRES).

* *For identification purposes only*