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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)

DISCLOSEABLE TRANSACTION

ACQUISITION OF LAND AND BUILDINGS IN MINAMI-IZU-CHO, JAPAN

The Board is pleased to announce that, on 18 July 2025 (after trading hours), NBI (a non-wholly-owned subsidiary of the Company) entered into the Purchase and Sale Agreements with the Seller (an Independent Third Party) for the acquisition of the Land and the Buildings located at Minami-Izu-cho, Kamo-gun, Shizuoka Prefecture, Japan at a total consideration of JPY516.3 million (equivalent to approximately HK$27.4 million). Completion is expected to take place on 29 August 2025.

As one or more of the applicable percentage ratios in respect of the Acquisition contemplated under the Purchase and Sale Agreements (on an aggregated basis) are greater than 5% but less than 25%, the Acquisition constitutes a discloseable transaction of the Company and is subject to the reporting and announcement requirements but exempt from the circular and shareholders' approval requirements under Chapter 14 of the Listing Rules.

THE ACQUISITION

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* *for identification purposes only*

PRINCIPAL TERMS

The principal terms of the Purchase and Sale Agreements are as follows:

Date:	18 July 2025
Parties:	(1) Seller (as seller) (2) NBI (as purchaser)
Subject matter:	NBI shall acquire from the Seller (i) the Land, comprising of 18 individual lots with a total area of approximately 4,955.0 sq. m. located in Minami-Izu-cho, Kamo-gun, Shizuoka Prefecture, Japan; and (ii) the Buildings constructed on the Land (being a ryokan inn), comprising 14 buildings with a total floor area of approximately 5,925.4 sq. m..
Completion Date:	29 August 2025
Consideration:	The total consideration is JPY516.3 million (equivalent to approximately HK$27.4 million), which comprises the purchase price of the Land, the purchase price of the Buildings, and the amount of consumption tax and local consumption tax.
Payment terms:	The full amount of the total consideration shall be paid by NBI to the Seller on the Completion Date by way of bank transfer.
Conditions precedent:	Completion shall be conditional upon, amongst others, the completion of a business transfer agreement between the Seller and Core Global in relation to the transfer of the ryokan inn business operating at the Land and the Buildings.
Completion:	The ownership of the Land and the Buildings shall be transferred to NBI at the time of payment of the full purchase price by NBI on the Completion Date under each Purchase and Sale Agreement, and the Seller shall simultaneously handover the Land and the Buildings to NBI. On the same day, ownership of the incidental facilities (including air conditioning equipment, transformer equipment, lighting equipment, etc.), all fixtures and supplies, and all remaining items inside and outside the Buildings shall be transferred from the Seller to NBI.

The consideration for the Acquisition was determined after arm's length negotiations between NBI and the Seller by reference to prevailing local market conditions, the location and the investment potential of the Land and Buildings, with reference to the appraised market value as advised by an independent valuer. The Directors (including the independent non-executive Directors) are of the view that the consideration for the Acquisition is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

INFORMATION OF THE LAND AND THE BUILDINGS

The Land comprises 18 individual lots of land located in Minami-Izu-cho, Kamo-gun, Shizuoka Prefecture, Japan, three of which are mineral spring sites. The total area of the Land is approximately 4,955.0 sq. m..

The Buildings constructed on the Land comprise 14 buildings with a total floor area of approximately 5,925.4 sq. m.. The Buildings were constructed as a ryokan inn with 39 rooms, which is currently operating under the name "Hana no Omotenashi Nanraku".

The Seller is the current registered owner of the Buildings and 12 out of the 18 individual land lots comprising the Land, and is the current lessee of the remaining 6 individual land lots comprising the Land. Prior to entering into the Purchase and Sale Agreements with NBI, the Seller entered into a purchase and sales contract with each of the Lessors (each an Independent Third Party), being the current registered owners of the remaining 6 individual land lots comprising the Land, each with a special provision for the onward sale and transfer of the subject land lots by the Seller to NBI on the Completion Date.

The appraised market value of the Land and the Buildings as advised by an independent valuer is JPY1.38 billion (as at 1 June 2025).

INFORMATION OF THE GROUP AND THE PARTIES

The Group is principally engaged in pachinko and pachislot hall operations, hotel and restaurant operations in Japan, and amusement arcade operations in Southeast Asian countries.

NBI is an indirect non-wholly-owned subsidiary of the Company currently held as to 75% by the Group and 25% by its joint venture partner, Core Holdings. NBI is principally engaged in hotel operations.

The Seller is a company incorporated in Japan with limited liability whose ultimate beneficial owner is Shinya SATO. The Seller is principally engaged in hotel operations.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Seller and its ultimate beneficial owner(s) are Independent Third Parties of the Company and its connected persons.

REASONS FOR AND BENEFITS OF THE ACQUISITION

One of the principal business activities of the Group is hotel operations in Japan, and the Group has recently added two onsen inns and two hot spring ryokan inns to the Group's hotel portfolio in August 2024 and April 2025 respectively. As the tourism industry in Japan has been undergoing a strong revival since the COVID-19 pandemic, and more and more foreigners are travelling to Japan for leisure tourism, the management of the Group is cautiously optimistic about the continuous recovery and development potential of the tourism industry in Japan.

The Buildings located on the Land form an established ryokan inn in a favourable resort location attractive to leisure tourists. Minami-Izu-cho is located in the southernmost part of the Izu Peninsula of the Shizuoka Prefecture. The town's terrain consists of abundant hills, mountainous areas, and a complex coastline, forming a rich natural landscape. With its mild climate and rich natural environment, the town has a strong character as a tourist and resort area, especially in terms of marine leisure resources and hot spring tourism with its abundant supply of hot spring sites. The Land has two private hot spring sources, and the hot spring is supplied directly from the source.

With the addition of the ideally located ryokan inn to the Group's hotel portfolio, the management of the Group is of the view that the Group will be better positioned to capture the business opportunities brought by the recovery and development potential of the tourism industry in Japan.

With the attractive price of the Land and the Buildings as compared to the appraised market value, the management of the Group considers that the Acquisition presents a great opportunity for the Group to further expand its hospitality business.

Taking into account the above factors, the Directors (including the independent non-executive Directors) consider that the terms of the Acquisition are fair and reasonable and in the interests of the Shareholders and the Company as a whole.

None of the Directors has any material interests in the Acquisition and therefore, none of them has abstained from voting on the Board resolution(s) approving the Purchase and Sale Agreements and the transaction contemplated thereunder.

The consideration and other expenses for the Acquisition will be funded partly by internal resources of the Group, partly by the other shareholder of NBI, and partly by external financing. It is expected that approximately 75% of the total consideration shall be funded by loan proceeds to be obtained by NBI from financial institutions.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios in respect of the Acquisition contemplated under the Purchase and Sale Agreements (on an aggregated basis) are greater than 5% but less than 25%, the Acquisition constitutes a discloseable transaction of the Company and is subject to the reporting and announcement requirements but exempt from the circular and shareholders' approval requirements under Chapter 14 of the Listing Rules.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms shall have the following meanings:

"Acquisition"	the acquisition of the Land and the Buildings by NBI from the Seller pursuant to the Purchase and Sale Agreements
"Board"	the board of Directors
"Buildings"	the 14 buildings erected on the Land, comprising a 7-storied building, a 8-storied building and 12 single-storied buildings with a total floor area of approximately 5,925.4 sq. m.
"Company"	NIRAKU GC HOLDINGS, INC.* (株式会社ニラク▪ジー▪シー▪ホールディングス), which is a stock company* (株式会社) incorporated in Japan with limited liability, the shares of which are listed on the main board of the Stock Exchange
"Completion Date"	29 August 2025, being the date on which the transfer of ownership of the Land and the Buildings shall take place in accordance with the Purchase and Sale Agreements
"connected person(s)"	shall have the meaning as ascribed to it under the Listing Rules
"Core Global"	Core Global Management Co., Ltd., a company incorporated in Japan with limited liability and a wholly-owned subsidiary of Core Holdings
"Core Holdings"	Core Holdings, a company incorporated in Japan with limited liability whose ultimate beneficial owner is Masazumi NAKANO
"Director(s)"	the director(s) of the Company
"Group"	the Company and its subsidiaries

"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China
"Independent Third Party(ies)"	third party(ies) who is/are independent of the Company and its connected persons
"JPY" or "¥"	Japanese Yen, the lawful currency of Japan
"Land"	lot nos. 122-4, 122-12, 122-16, 124-1, 124-3, 125-1, 125-3, 130-1, 130-3, 130-5, 133-1, 133-3, 122-11, 122-14, 122-18, 129-1, 129-2 and 129-4 located in Aza Kujo, Shimogamo, Minami-Izu-cho, Kamo-gun, Shizuoka Prefecture, Japan with a total area of approximately 4,955.0 sq. m.
"Lessors"	Yoriko TERAUCHI and Chieko ASAKURA
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
"NBI"	NBI Regional Revitalization Investment Co., Ltd.* (株式会社NBI地方創生インベストメント), a limited liability company incorporated in Japan and an indirect non-wholly-owned subsidiary of the Company, the shares of which are held as to 75% by the Group and 25% by Core Holdings
"Purchase and Sale Agreement(s)"	the three purchase and sale agreements entered into between the Seller and NBI on 18 July 2025 respectively in respect of: (i) the Seller's existing interest in the Land and the Buildings; (ii) the ownership of 3 individual lots of the Land acquired by the Seller from one of the Lessors; and (iii) the ownership of 3 other individual lots of the Land acquired by the Seller from the other of the Lessors
"Seller"	Nanrakuso Limited Liability Company* (有限会社南樂荘), a company incorporated in Japan with limited liability whose ultimate beneficial owner is Shinya SATO
"Share(s)"	common share(s)* (普通株式) in the share capital of the Company
"Shareholder(s)"	holder(s) of Share(s)
"sq. m."	square meter

"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"%"	per cent

(*) The English titles marked with "" are unofficial English translations of the Japanese titles of natural persons, legal persons, governmental authorities, institutions, laws, rules, regulations and other entities for which no official English translation exists. These titles are for identification purpose only.*

In this announcement, certain amounts denominated in ¥ are translated into HK$ at the exchange rate shown below, but such conversions shall not be construed as representations that amounts in ¥ were or may have been converted into HK$ at such rate or any other exchange rates or at all: ¥1 = HK$0.053.

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

Fukushima, Japan, 24 July 2025

As at the date of this announcement, the executive Directors are Hisanori TANIGUCHI and Masataka WATANABE; the non-executive Directors are Hiroshi BANNAI and Hidenori MOROTA; and the independent non-executive Directors are Michio MINAKATA, Yoshihiro KOIZUMI, Kuraji KUTSUWATA, Akihito TANAKA and Reiko HACHISUKA.