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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)**

## **PROFIT WARNING**

This announcement is made by 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**”, together with its subsidiaries as the “**Group**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors of the Company (the “**Board**”) wishes to inform the shareholders of the Company (the “**Shareholders**”) and the potential investors that based on preliminary assessment of the consolidated management accounts of the Group, it is expected the Group will record a significant decrease in profit attributable to Shareholders for the year ended 31 March 2020, as compared to the profit attributable to Shareholders of ¥610 million for the year ended 31 March 2019.

The decrease in profit attributable to Shareholders for the year ended 31 March 2020 is mainly caused by the outbreak of COVID-19 which severely affects the performance of the Group’s restaurant and entertainment businesses since the last quarter of the financial year, thus, a significant amount of impairment loss of approximately ¥690 million is expected to be provided. The Group has implemented various cost control measures to minimise the impact of the COVID-19, and has closely monitored the market conditions and adjusted its business strategies to maintain a stable sales turnover.

Despite the foregoing, the Group maintains a healthy cash flow and financial position and has sufficient cash to meet its business needs.

\* For identification purposes only

The Company is still in the process of finalising the unaudited consolidated results of the Group for the year ended 31 March 2020. This profit warning announcement is only based on the Board's preliminary assessment of the unaudited consolidated management accounts of the Group which are subject to finalisation and other potential adjustments, if any, and have not been confirmed or audited by the Company's auditor. Shareholders and potential investors are advised to read carefully the results announcement of the Company for the year ended 31 March 2020, which is expected to be published on or around 19 June 2020.

**Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.**

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, 12 June 2020

*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 BANNAI; and the independent non-executive directors of the Company are Michio MINAKATA, Yoshihiro KOIZUMI and Kuraji KUTSUWATA.*