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 於日本註冊成立的有限公司)

Stock Code 股份代號：1245

INTERIM REPORT 中期報告

2025/2026

* For identification purpose only
僅供識別

Contents

Corporate Profile

株式会社ニラク・ジー・シー・ホールディングス NIRAKU GC HOLDINGS, INC.* ("NIRAKU" or the "Company", Hong Kong stock code: 1245, together with its subsidiaries, the "Group") is a leading pachinko hall operator in Fukushima Prefecture in Japan with over 60 years of pachinko hall operation experience. The Company was listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on 8 April 2015.

Since the opening of the first pachinko hall in 1950, NIRAKU has been aiming in bringing enjoyable experience to customers, which forms our slogan of "Happy Time, Creation".

NIRAKU has a strong pachinko hall network with 49 halls at present, stretching from Tokyo Metropolitan Area to Northeast Honshu, equipped with over 29,100 pachinko and pachislot machines serving customers in ten prefectures in Japan.

* *For identification purpose only*

Corporation Information and Information for Investors

CORPORATE INFORMATION

Executive Directors	Mr. Hisanori TANIGUCHI *(Chairman)* Mr. Masataka WATANABE
Non-Executive Directors	Mr. Hiroshi BANNAI Mr. Hidenori MOROTA
Independent Non-Executive Directors	Mr. Michio MINAKATA Mr. Yoshihiro KOIZUMI Mr. Kuraji KUTSUWATA Mr. Akihito TANAKA Ms. Reiko HACHISUKA
Audit Committee	Mr. Michio MINAKATA *(Committee Chairman)* Mr. Hiroshi BANNAI Mr. Yoshihiro KOIZUMI
Remuneration Committee	Mr. Yoshihiro KOIZUMI *(Committee Chairman)* Mr. Hisanori TANIGUCHI Mr. Michio MINAKATA
Nomination Committee	Mr. Hisanori TANIGUCHI *(Committee Chairman)* Mr. Kuraji KUTSUWATA Mr. Akihito TANAKA Ms. Reiko HACHISUKA

INFORMATION FOR INVESTORS

Principal Bankers	Mizuho Bank, Ltd. Sumitomo Mitsui Bank Corporation The Toho Bank, Ltd.
Auditor	PricewaterhouseCoopers *Certified Public Accountants* Registered Public Interest Entity Auditor
Legal Adviser	Deacons
Share Registrar	Computershare Hong Kong Investor Services Limited Shops 1712–1716 17/F Hopewell Centre 183 Queen's Road East Wan Chai, Hong Kong
Principal Place of Business in Hong Kong	805B, 8/F, Tsim Sha Tsui Centre 66 Mody Road, Tsim Sha Tsui Kowloon, Hong Kong
Headquarters in Japan and Registered Office	1-1-39 Hohaccho Koriyama-shi, Fukushima Japan 963-8811
Stock Code	1245
Investor and Media Relations Consultant	Strategic Financial Relations Limited
Website	www.ngch.co.jp
Investor Relation Inquiry	e-mail: niraku@sprg.com.hk

Financial and Operational Highlights

The following table summarises the results of the Group for the financial periods ended 30 September 2025 and 2024.

	For the six months ended 30 September			
	2025		2024	
	¥ million	**HK$ million**	¥ million	HK$ million
Gross pay-ins	**74,176**	**3,877**	71,653	3,898
Gross pay-outs	**(61,546)**	**(3,217)**	(59,279)	(3,225)
Revenue from pachinko and pachislot business	**12,630**	**660**	12,374	673
Revenue from amusement arcade business	**925**	**48**	896	49
Revenue from sales of real estate business	**734**	**38**	–	–
Other revenue	**1,164**	**61**	888	48
Revenue	**15,453**	**807**	14,158	770
Hall, hotel and restaurant operating expenses	**(11,172)**	**(584)**	(10,733)	(584)
Administrative expenses	**(2,328)**	**(122)**	(2,095)	(114)
Profit before income tax	**1,236**	**65**	935	51
Profit attributable to the owners of the Company	**698**	**36**	451	25
Earnings per share (expressed in Japanese Yen or Hong Kong dollar)	**0.58**	**0.03**	0.38	0.02
Overall revenue margin (Note 1)	**17.0%**	**17.0%**	17.3%	17.3%
Net profit margin	**4.6%**	**4.6%**	3.2%	3.2%

	As at 30 September 2025		As at 31 March 2025	
	¥ million	**HK$ million**	¥ million	HK$ million
Current assets	**14,176**	**741**	12,806	666
Current liabilities	**14,911**	**779**	14,215	740
Net current liabilities	**(735)**	**(38)**	(1,409)	(74)
Total assets	**64,475**	**3,370**	63,653	3,312
Total assets less current liabilities	**49,564**	**2,591**	49,438	2,572
Gearing ratio	**1.3**	**1.3**	1.3	1.3

Note 1: Overall revenue margin is calculated at revenue from pachinko and pachislot business divided by gross pay-ins.

Financial and Operational Highlights

CURRENCY TRANSLATIONS

For the purpose of illustration only and unless otherwise specified in this interim report, certain amounts denominated in Japanese Yen ("¥") are translated into Hong Kong dollar ("HK$") at the rates (as the case may be) described below:

1. ¥19.13 to HK$1.00, the exchange rate prevailing on 30 September 2025 (i.e. the last business day in September 2025);

2. ¥18.38 to HK$1.00, the exchange rate prevailing on 30 September 2024 (i.e. the last business day in September 2024); and

3. ¥19.22 to HK$1.00, the exchange rate prevailing on 31 March 2025 (i.e. the last business day in March 2025).

No representation is made that the amounts in Japanese Yen could have been, or could be, converted into Hong Kong dollar or vice versa, at such rates or at any other rates on such date or on any other dates.

Management Discussion and Analysis

BUSINESS OVERVIEW

Along with the robust consumer spending power, the pent-up demand stimulated by rising wages, and resurge in tourism industry in Asian countries, the economic conditions in both Japan and Southeast Asia continue to see a moderate improvement. For the six months ended 30 September 2025, the Group recorded a satisfactory increase in revenue by ¥1,295 million to ¥15,453 million, as compared to ¥14,158 million for the six months ended 30 September 2024. Profit before tax was ¥1,236 million for the six months ended 30 September 2025, with net profit attributable to the owners of the Company amounted to ¥698 million, recording a noticeable increase by ¥247 million as compared to the same period in prior year. Receptive to new opportunities, deploying in digitisation and economising on expense remain the Group's core focus in achieving a stable return.

BUSINESS SEGMENT ANALYSIS

Pachinko business

Continued improvement in consumer confidence as economic recovery picks up along with the uptrend in disposable income as wages hikes, pachinko revenue recorded a considerable increase of ¥2,523 million, from ¥71,653 million for the six months ended 30 September 2024 to ¥74,176 million in the current period.

Despite the performance in this business sector has seen a decent growth over the last two years, the relentless contraction in pachinko market, the impact of geopolitical risk on commodity prices compounded by the high inflation rate have affected consumers' spending sentiment, constituting a barrier to business growth. Investing in new pachinko halls, maximising pay-out ratio and frequent replacement of game machines are the Group's business strategy on widening revenue and boosting hall traffic. During the six months ended 30 September 2025, the Group adjusted the pay-out ratio from an average of 82% to 83%. This strategy has proven to be successful in increasing the gross revenue. The Group continuously reviews the net pay-out ratios and where necessary, revises the rate to achieve a stable gross profit margin.

Frequent replacement of new machine models featuring with popular animations and installation of digitised Smart Slot machines across all pachinko halls to stimulate player visits remain one of the core business strategies in driving sustained return. During the six months ended 30 September 2025, the Group allocated ¥4,101 million on machine expenditure, representing an increase of 8.8% as compared to the same period in prior year. The Group strives to curtail its spending through streamlining operating structure and deploying digital technology to improve productivity and to maintain a sustainable growth.

Amusement arcade business

Benefiting from the increasing demand of entertaining facilities, revenue from amusement arcade business has noted a 3.2% increase from ¥896 million for the six months ended 30 September 2024 to ¥925 million in the current period. With the combination of rising income, strong household consumption and increased leisure spending, the economies in Southeast Asian countries continue to thrive. This was evidenced by the results from Cambodia where revenue for the current period rose by 19.1% as compared to the prior period. The management is confident in achieving persistent revenue growth in Southeast Asian markets.

Restaurant business

The Group's franchised food and beverage business comprises 4 Spanish restaurants named "LIZARRAN", 3 cafés named "KOMEDA", 2 Taiwanese bubble tea cafés called "Gong Cha", as well as a private branded restaurant named "PLANCHA L", which are all located in Japan. Revenue from this sector surged by 28.3%, from ¥501 million for the six months ended 30 September 2024 to ¥643 million in the current period. The popularity of café visiting and the appealing of bubble tea with its colourful appearance and customisable nature made it a food trend among domestic younger generations, thus, contributed to a steadfast growth in this sector.

Investment in real estate business

The Group began its preparations in August 2024 for investing in the real estate business. This business is intended to contribute to regional revitalization, a key initiative actively promoted by the Japanese government. By turning local ryokan inns and hotels into financial products and selling them to investors, we aim to redirect capital, which is often concentrated in Tokyo, to regional economies. We believe there are many promising ryokan inns and hotels with untapped potential throughout Japan's regions that can be regenerated with injections of capital and expertise.

This newly start up business which focuses on investing in hotels and potential leisure facilities with high resell value was debuted in April 2025. During the six months ended 30 September 2025, multiple transactions were taken place, contributing a total revenue of ¥734 million. As the tourism industry in Japan has been undergoing a strong revival, and more and more foreigners are travelling to Japan for leisure tourism, the management of the Group is cautiously optimistic in this business sector.

PROSPECT AND FUTURE DEVELOPMENT

Amid the global economic slowdown and increasing geopolitical complexity, the Group is resilient and committed to maximising its return through broadening revenue streams and effective cost control. The Group is also open to any possible options for market expansion including business buyout and new outlet set up.

The Group continues to refine its business strategies to address customer needs and react to social changes, which are the vital factors in business success. In response to the accelerated demand on contactless technologies, the Group increases the number of smart machines across all pachinko halls as these machines have become the most popular machines among younger generations. Further, the self-serviced prize-exchange system named "Self-POS", with its first rollout in 10 pachinko halls in 2022, has now extended to 46 halls. The Group plans to launch the "Self-POS" system to all halls in the near future. To enhance future corporate performance and as part of its long-term business plan, the Group periodically looks for opportunities to invest in new hall developments and acquire existing pachinko halls to secure a consistent revenue stream from gaming operations. On 30 September 2025, the Group entered into an agreement to acquire two pachinko hall businesses from a leading hall owner and operator with the expected completion date of 1 December 2025. The Group believes that acquiring the businesses will significantly expand its market presence and enhance its performance in pachinko industry.

With the influx of international tourists and inbound visitors bolstered by persistent weak Japanese Yen, hospitality industry in Japan continues to show a vigorous growth. Grasping the strong momentum, the Group plans to open two Spanish restaurants in the third and fourth quarter of this financial year.

Aligning with the Group's business strategy, in October 2025, the Group, through its wholly-owned subsidiary, acquired a land with buildings which formed an established ryokan inn in a favourable resort location attractive to leisure tourists. With the vibrant tourism in Japan, the Group is optimistic in this business sector.

Partnering with AEON, a renowned shopping mall developer, remains the key strategic approach of the Group in its Southeast Asian investment. Coupled with AEON's business plan on mall development, a new store in Vietnam was opened in late September 2025.

The economic landscape ahead is expected to be volatile as geopolitical pressure remains unsettled in the short run. Nevertheless, the Group has demonstrated resilience amidst the severity of economic condition. The Group sees every challenge as a motivation to grow and learn, and to strengthen up. The Group embraces its motto of "Happy Time, Creation", brings joy to players, establishes a rapport and long-term relationship with customers and business partners, and strives for sustainable returns to shareholders.

Management Discussion and Analysis

FINANCIAL REVIEW

Revenue from Pachinko and Pachislot Business

Revenue from pachinko and pachislot business is derived from gross pay-ins netted with gross pay-outs.

Revenue from pachinko and pachislot business recorded a moderate increase of ¥256 million, or 2.1%, from ¥12,374 million for the six months ended 30 September 2024 to ¥12,630 million for the same period in 2025. The rise in revenue was attributable to the continuous improvement in hall performance as a result of economic recovery and the increase in gross pay-outs boosting customer turnover.

Gross pay-ins

Gross pay-ins recorded a considerable increase of ¥2,523 million, or 3.5%, from ¥71,653 million for the six months ended 30 September 2024 to ¥74,176 million for the same period in current year which was resulted from the factors as explained above.

Gross pay-outs

Gross pay-outs, being the aggregate cost of G-prizes and general prizes exchanged by customers, increased by ¥2,267 million, or 3.8%, from ¥59,279 million for the six months ended 30 September 2024 to ¥61,546 million for the same period in 2025 which corresponded with the rise in gross pay-ins.

Revenue margin

Revenue margin recorded at 17.0% for the six months ended 30 September 2025, which was slightly lowered by 0.3% as compared to 17.3% for the same period last year. The management continued to review pay-out ratio to strike the balance between improving customer visits and maximising gross profit returns.

Revenue from amusement arcade business

Revenue from amusement arcade business rose from ¥896 million for the six months ended 30 September 2024 to ¥925 million for the same period in 2025. The amount comprised revenue derived from Vietnam and Cambodia amounting to ¥551 million and ¥374 million, respectively (30 September 2024: ¥581 million and ¥315 million, respectively). The increase in revenue was attributable to the continuous growth in entertainment industry in Southeast Asian countries.

Revenue from sales of real estate business

Revenue from sales of real estate business represents income generated from a start up business which focuses on investing in hotels for rental income and potential properties with high resell value. During the six months ended 30 September 2025, several transactions were taken place, generating a total revenue of ¥734 million.

Other revenue

Other revenue represents incomes from vending machines, hotel and restaurant operations.

Vending machine income amounted to ¥289 million for the six months ended 30 September 2025. The mild increase of ¥14 million, or 5.1%, as compared to ¥275 million for the six months ended 30 September 2024 was resulted from the increase in customer turnover rate as mentioned above.

Management Discussion and Analysis

Income from hotel operation amounted to ¥232 million for the six months ended 30 September 2025, recording an increase of ¥120 million as compared to ¥112 million for the six months ended 30 September 2024. The robust increase in hotel income was attributable to the acquisition of two ryokan inns in August 2024 and the increase in room rate at an average of 7% as compared to the same period last year.

Revenue from restaurant operations amounted to ¥643 million for the six months ended 30 September 2025, increased by 28.3%, as compared to ¥501 million for the six months ended 30 September 2024. Other than the increasing popularity of "KOMEDA" cafés, a "LIZARRAN" restaurant and a new private branded restaurant named "PLANCHA L" which were opened in the second quarter of last financial year had contributed an additional revenue of ¥80 million.

Hall, hotel and restaurant operating expenses

Hall, hotel and restaurant operating expenses increased by ¥439 million, or 4.1%, from ¥10,733 million for the six months ended 30 September 2024 to ¥11,172 million for the same period in current year. Major components of hall, hotel and restaurant operating expenses are pachinko and pachislot machine expenses, staff cost for hall staff and depreciation expenses, amounting to ¥4,101 million, ¥2,244 million and ¥1,940 million, respectively, for the six months ended 30 September 2025 (30 September 2024: ¥3,770 million, ¥2,132 million and ¥1,748 million, respectively).

Hall, hotel and restaurant operating expenses increased as a result of (i) more smart machines installed to stimulate player visits; (ii) the increase in impairment loss by ¥126 million; and (iii) the increase in staff and utilities expenses due to inflation; netted with the decrease in repair and maintenance expenses.

Administrative expenses

Administrative expenses increased by ¥233 million, or 11.1% from ¥2,095 million for the six months ended 30 September 2024 to ¥2,328 million for the same period in 2025. The increase in expense was due to the increase in staff wages and launch of various promotional events to boost up sales.

Finance costs

Finance costs, net amounted to ¥432 million for the six months ended 30 September 2025, recorded a drop of ¥10 million, or 2.3%, as compared to ¥442 million for the same period in 2024 as a result of the decrease in lease related interest expenses in the current period.

Profit attributable to owners of the Company, basic earnings per share and dividend

Profit attributable to owners of the Company of ¥698 million was recorded for the six months ended 30 September 2025, as compared to ¥451 million for the six months ended 30 September 2024. Profit increased noticeably, mainly attributable to the continuous improvement in revenue across different business segments outweighing the rise in hall and administrative expenses.

Basic earnings per share for the six months ended 30 September 2025 was ¥0.58 (30 September 2024: ¥0.38). The board (the "Board") of directors (the "Directors") of the Company has declared an interim dividend of ¥0.20 per common share for the six months ended 30 September 2025 (30 September 2024: ¥0.09 per common share).

Management Discussion and Analysis

CAPITAL STRUCTURE

The Group principally meets its working capital and other liquidity requirements through a combination of capital contributions, including cash flow from operations and bank borrowings. The Group's daily operation is mainly financed by operating cash flows, and relied on short- and long-term borrowings for financing working capital, future expansion plans and unexpected needs. The Group's treasury objective is mainly to ensure there is sufficient cash flow to meet the payment of expenses, loans and to fund any capital expenditure and commitment that the Group may have from time to time. The Group's cash surpluses are placed in short-term and long-term fixed deposits to maintain liquidity. The Group has not experienced any difficulty in repaying its borrowings.

The Group's principal business activities are carried out in Japan, with income, expenditure, assets and liabilities mainly denominated in Japanese Yen, as such, the Group does not have any material foreign exchange exposure.

The table below sets forth the information regarding the cash and bank balances, borrowings, lease liabilities, working capital, total equity and gearing ratio of the Group as at 30 September 2025 and 31 March 2025, and operating cash flows before movements in working capital of the Group for the six months ended 30 September 2025 and 2024, respectively:

	As at 30 September 2025 ¥ million	As at 31 March 2025 ¥ million
Cash and cash equivalents	**10,618**	10,574
Bank deposits with maturity over 3 months	**905**	834
	11,523	11,408
Bank loans	**6,513**	5,351
Syndicated loans	**4,710**	4,489
Lease liabilities	**25,046**	25,967
	36,269	35,807
Total equity	**19,841**	19,235
Gearing ratio (Note 1)	**1.3**	1.3
Working capital (Note 2)	**(735)**	(1,409)

Note 1: Gearing ratio is calculated as total borrowings less cash and cash equivalents divided by equity.

Note 2: Working capital being current assets less current liabilities.

	For the six months ended 30 September	
	2025	2024
	¥ million	¥ million
Operating cash flows before movements in working capital	**4,008**	3,601

As at 30 September 2025, net current liabilities of the Group totalled ¥735 million (31 March 2025: ¥1,409 million), and current ratio was 0.95 as at 30 September 2025 (31 March 2025: 0.90). As at 30 September 2025, there were cash and cash equivalents of ¥10,618 million (31 March 2025: ¥10,574 million), in which ¥9,464 million was denominated in Japanese Yen, ¥710 million was denominated in United States dollar, ¥393 million was denominated in Hong Kong dollar and ¥51 million was denominated in other currencies. As at 30 September 2025, the Group had total borrowings and lease liabilities of ¥36,269 million (31 March 2025: ¥35,807 million). Current portion of bank borrowings and current portion of lease liabilities amounted to ¥8,583 million as at 30 September 2025 (31 March 2025: ¥7,655 million).

The Group's bank borrowings during the current period comprised bank loans and syndicated loans. As at 30 September 2025, the total bank borrowings amounted to ¥11,223 million (31 March 2025: ¥9,840 million), with average effective interest rates on bank borrowings ranged from 1.57% to 1.59% (31 March 2025: 1.58% to 1.64%) per annum. Approximately 2.2% of bank borrowings as at 30 September 2025 were fixed rate borrowings.

HEDGING OF FLOATING RATE BORROWINGS AND FOREIGN EXCHANGE

As at 30 September 2025, the Group had two floating to fixed interest rate swap contracts with banks in Japan (i.e. the Group pays fixed interest rates and receives interests at floating rate). These interest rate swap contracts were entered into as a measure to manage interest rate risk in relation to loans of the Group. As interest rates of some of the Group's loans are on a floating rate basis, the floating to fixed interest rate swap contracts enabled the Group to reduce the volatility in the amount of interest being paid. For the six months ended 30 September 2025, there was no change in fair value for interest rate swap contracts (31 March 2025: fair value gain of ¥1 million).

The Group did not carry out significant foreign currency investment and its debts were all denominated in Japanese Yen as at 30 September 2025. As the functional currency of certain subsidiaries are different from the Company, the Group will be exposed to foreign exchange risk arising from such exposure, namely in Singapore Dollar, Vietnamese Dong, Cambodian Riel and Renminbi against Japanese Yen. The management is assessing the significance of the foreign currency exposures faced by the Group and will consider adopting appropriate measures to mitigate the risk, including but not limited to entering into currency hedges.

GEARING RATIO

The gearing ratio, defined as the aggregate of interest-bearing loans and lease liabilities less cash and cash equivalents, divided by total equity, was 1.3 as at 30 September 2025 (31 March 2025: 1.3).

Management Discussion and Analysis

CAPITAL EXPENDITURE

Capital expenditure is mainly comprised of expenditure for (i) the purchase of property, plant and equipment mainly used for construction of buildings, and (ii) the purchase of equipment and tools for the maintenance of our pachinko and pachislot hall and amusement arcade operations. The table below shows a breakdown of the capital expenditure for the indicated periods:

	As at 30 September 2025 ¥ million	As at 31 March 2025 ¥ million
Property, plant and equipment	**1,199**	1,986
Right-of-use assets	**574**	1,407
Intangible assets	**6**	3
Investment property	**–**	827
	1,779	4,223

CHARGES ON ASSETS

As at 30 September 2025 and 31 March 2025, the carrying values of charged assets were as below:

	As at 30 September 2025 ¥ million	As at 31 March 2025 ¥ million
Property, plant and equipment	**8,535**	8,756
Investment properties	**1,297**	532
Deposits and other receivables	**152**	154
	9,984	9,442

CONTINGENT LIABILITIES

The Group did not have any material contingent liabilities as at 30 September 2025 and 31 March 2025.

CAPITAL COMMITMENTS

Details of the Group's capital commitments as at 30 September 2025 and 31 March 2025 are set out in Note 23 to the interim condensed consolidated financial information.

SIGNIFICANT INVESTMENTS, MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, AND FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

Except for the acquisitions and disposals as disclosed in this interim report, during the six months ended 30 September 2025, the Group did not conduct any significant investments, material acquisitions or disposals. Save for those disclosed in this interim report, the Group had no plan authorized by the Board for other material investments or additions of capital assets as at the date of this interim report.

EMPLOYEES AND REMUNERATION POLICY

As at 30 September 2025, the Group had 1,253 employees. The remuneration policy of the Group (including those for directors and employees) is determined by the Remuneration Committee under the Board as per the performance, qualifications and competence of the employees. Details of the key management remuneration of the Company are set forth in Note 24(b) to the interim condensed consolidated financial information.

FINANCIAL KEY PERFORMANCE INDICATORS

Certain financial key performance indicators which complement and supplement the financial disclosures are set out in "Management Discussion and Analysis" on pages 6 to 13 and the "Interim Condensed Consolidated Financial Statements" on pages 20 to 48 of this interim report.

Corporate Governance and Other Information

CORPORATE GOVERNANCE

During the six months ended 30 September 2025, the Company has adopted and complied with all the applicable principles and code provisions of the Corporate Governance Code (the "CG Code") contained in Appendix C1 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"), with the exception for code provision C.2.1, which requires the roles of chairman and chief executive to be separated and should be performed by different individuals.

Code Provision C.2.1

Under code provision C.2.1 of the CG Code, the roles of chairman and chief executive should be separate and should not be performed by the same individual. Our chairman ("Chairman") currently holds both positions. Since April 2010, our Chairman has been the key leadership figure of our Group who has been primarily involved in the formulation of business strategies and determination of the overall direction of our Group. He has also been chiefly responsible for our Group's operations as he directly supervises our executive officers (other than himself) and members of our senior management. Taking into account the continuation of the implementation of our business plans, the Directors (including our independent non-executive Directors) consider our Chairman is the best candidate for both positions and the present arrangements are beneficial to and in the interests of our Company and the shareholders as a whole.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules (the "Model Code") as its own code of conduct regarding securities transactions by Directors. Having made specific enquiry with all Directors, the Directors confirmed that they had complied with the required standard set out in the Model Code and the Company's code of conduct during the six months ended 30 September 2025.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

The Company did not redeem any of its listed securities during the six months ended 30 September 2025. Neither the Company nor any of its subsidiaries purchased or sold any of the Company's listed securities (including sale of treasury shares, if any) during the six months ended 30 September 2025. As at 30 September 2025, the Company did not hold any treasury shares.

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND/OR SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY SPECIFIED UNDERTAKING OF THE COMPANY OR ANY OTHER ASSOCIATED CORPORATION

As at 30 September 2025, the interests and short positions of the Directors and the chief executive of the Company and their associates in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) which have been notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO), or which were recorded in the register as required to be kept by the Company pursuant to Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code set out in Appendix C3 to the Listing Rules were as follows:

Name	Capacity/Nature of interest	Total	Approximate % of shareholding
Hisanori TANIGUCHI (谷口久徳)	Beneficial owner	85,624,184 common shares	7.16%
Hiroshi BANNAI (坂內弘)	Beneficial owner	216,000 common shares	0.02%
Hidenori MOROTA (諸田英樸)	Beneficial owner	1,380,000 common shares	0.12%

Notes:

(1) All interests stated are long positions.

(2) There were 1,195,850,460 shares in issue as at 30 September 2025.

Save as disclosed above, as at 30 September 2025, none of the Directors and chief executive of the Company had or was deemed to have any interest or short position in the shares, underlying shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) that was required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO), or required to be recorded in the register to be kept by the Company under Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND/OR SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

As at 30 September 2025, to the best knowledge of the Directors, the following persons (not being a Director or chief executive of the Company) had interests or short positions in the shares or underlying shares of the Company which fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO:

Name	Capacity/Nature of interest	Total	Approximate % of shareholding
Yoshihiro TANIGUCHI (谷口佳浩)	Beneficial owner; interest of controlled corporation; custodian (1)	98,440,000 common shares	8.23%
Seiai TANIGUCHI (谷口正愛)	Interest of a spouse (2)	85,624,184 common shares	7.16%
Yurie TANIGUCHI (谷口祐莉恵)	Interest of a spouse (3)	98,440,000 common shares	8.23%
Okada Holdings Limited	Beneficial owner (4)	80,500,000 common shares	6.73%
Universal Entertainment Corporation	Beneficial owner (4)	80,500,000 common shares	6.73%
Tiger Resort Asia Limited	Beneficial owner (4)	80,500,000 common shares	6.73%
DENSHO Co., Ltd.	Beneficial owner	226,020,460 common shares	18.90%
JUKKI Limited	Beneficial owner	181,470,000 common shares	15.17%

Notes:

(1) The interests held by Mr. Yoshihiro TANIGUCHI (谷口佳浩) shown above include: (i) 33,580,000 shares held in his own name for his own benefit; (ii) 11,500,000 shares held by Daiki Limited* (有限会社大喜), a company collectively wholly-owned by his children, the voting rights of which are exercisable by Mr. Yoshihiro TANIGUCHI (谷口佳浩); and (iii) 53,360,000 shares held by the YT Family Trust for the benefit of his children, namely Mr. Akinori TANIGUCHI (谷口晃紀) and Mr. Masahide TANIGUCHI (谷口昌英). SMBC Trust Bank Ltd.* (株式会社SMBC信託銀行) is the trustee and assignee* (受託者) of the YT Family Trust and Mr. Yoshihiro TANIGUCHI (谷口佳浩) is entitled to exercise the voting rights attached to the shares under the YT Family Trust. The interests under the YT Family Trust are equally distributed among the two beneficiaries under the YT Family Trust.

(2) Ms. Seiai TANIGUCHI (谷口正愛) is the spouse of our Chairman and is therefore deemed to be interested in the shares that our Chairman is interested in under the SFO.

(3) Ms. Yurie TANIGUCHI (谷口祐莉恵) is the spouse of Mr. Yoshihiro TANIGUCHI (谷口佳浩) and is therefore deemed to be interested in the shares that Mr. Yoshihiro TANIGUCHI (谷口佳浩) is interested in under the SFO.

(4) Okada Holdings Limited indirectly holds 70.28% interest in Universal Entertainment Corporation, which directly holds Tiger Resort Asia Limited. Accordingly, each of Universal Entertainment Corporation and Okada Holdings Limited is deemed to be interested in such 80,500,000 shares held by Tiger Resort Asia Limited.

(5) All interests stated are long positions.

(6) There were 1,195,850,460 shares in issue as at 30 September 2025.

Save as disclosed above, as at 30 September 2025, the Directors were not aware of any persons (who were not Directors or chief executive of the Company) who had an interest or short position in the shares or underlying shares of the Company which would fall to be disclosed under Divisions 2 and 3 of Part XV of the SFO, or which would be required, pursuant to Section 336 of the SFO, to be entered in the register referred to therein.

CHANGE TO INFORMATION IN RESPECT OF DIRECTORS

Pursuant to Rule 13.51B(1) of the Listing Rules, the change in information of the Directors since the date of the Company's annual report 2024/2025 is set out below:

- Mr. Hidenori MOROTA was appointed as a non-executive Director with effect from 30 June 2025.

Save as disclosed above, there is no change in information of the Directors since the date of the Company's annual report 2024/2025 which required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

INTERIM DIVIDEND

The Board has declared an interim dividend of ¥0.20 per common share for the six months ended 30 September 2025 (30 September 2024: ¥0.09 per common share).

REVIEW OF INTERIM RESULTS

The Audit Committee of the Company has reviewed the unaudited interim condensed consolidated financial information and the interim report of the Group for the six months ended 30 September 2025 and discussed the financial related matters with the management. The unaudited interim condensed consolidated financial information of the Group for the six months ended 30 September 2025 has been reviewed by the Company's auditor, PricewaterhouseCoopers, in accordance with International Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity".

* *For identification purpose only*

Report on Review of Interim Financial Information

TO THE BOARD OF DIRECTORS OF 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)

INTRODUCTION

We have reviewed the interim financial information set out on pages 20 to 48, which comprises the interim condensed consolidated statement of financial position 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") and its subsidiaries (together, the "Group") as at 30 September 2025 and the interim condensed consolidated statement of comprehensive income, the interim condensed consolidated statement of changes in equity and the interim condensed consolidated statement of cash flows for the six-month period then ended, and selected explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and International Accounting Standard 34 "Interim Financial Reporting". The directors of the Company are responsible for the preparation and presentation of this interim financial information in accordance with International Accounting Standard 34 "Interim Financial Reporting". Our responsibility is to express a conclusion on this interim financial information based on our review and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

SCOPE OF REVIEW

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

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Report on Review of Interim Financial Information

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information of the Group is not prepared, in all material respects, in accordance with International Accounting Standard 34 "Interim Financial Reporting".

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 25 November 2025

* *For identification purpose only*

Interim Condensed Consolidated Statement of Comprehensive Income

For the six months ended 30 September 2025

	Note	Six months ended 30 September **2025** **¥ million** **(Unaudited)**	 2024 ¥ million (Unaudited)
Revenue	6	**15,453**	14,158
Other income	7	**193**	202
Other losses, net	7	**(61)**	(155)
Cost of revenue			
Hall, hotel and restaurant operating expenses	8	**(11,172)**	(10,733)
Real estate operating expenses	8	**(417)**	–
Administrative expenses	8	**(2,328)**	(2,095)
Operating profit		**1,668**	1,377
Finance income		**37**	36
Finance costs		**(469)**	(478)
Finance costs, net	9	**(432)**	(442)
Profit before income tax		**1,236**	935
Income tax expense	10	**(523)**	(484)
Profit for the period		**713**	451
Profit for the period attributable to:			
Owners of the Company		**698**	451
Non-controlling interests		**15**	–
		713	451
Earnings per share for profit attributable to owners of the Company			
— Basic and diluted (expressed in ¥ per share)	12		
Profit for the period		**0.58**	0.38

Interim Condensed Consolidated Statement of Comprehensive Income (CONTINUED)

For the six months ended 30 September 2025

	Note	Six months ended 30 September **2025** **¥ million** **(Unaudited)**	 2024 ¥ million (Unaudited)
Profit for the period		**713**	451
Other comprehensive income/(loss)			
Items that will not be subsequently reclassified to profit or loss			
Change in value of financial assets through other comprehensive income		**33**	(88)
Items that have been or may be subsequently reclassified to profit or loss			
Currency translation differences		**4**	69
Total comprehensive income for the period		**750**	432
Total comprehensive income for the period attributable to:			
Owners of the Company		**734**	422
Non-controlling interest		**16**	10
		750	432

The above interim condensed consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

Interim Condensed Consolidated Statement of Financial Position

As at 30 September 2025

	Note	**30 September 2025 ¥ million (Unaudited)**	31 March 2025 ¥ million (Audited)
ASSETS			
Non-current assets			
Property, plant and equipment	14	**18,022**	17,721
Right-of-use assets	15	**20,800**	21,679
Investment properties	14	**1,448**	1,471
Intangible assets	14	**214**	236
Prepayments, deposits and other receivables		**4,265**	4,208
Interest in an associate	21	**–**	–
Financial assets at fair value through other comprehensive income		**462**	418
Deferred income tax assets		**5,088**	5,114
		50,299	50,847
Current assets			
Inventories		**54**	53
Properties held for sale		**1,290**	–
Trade receivables	16	**239**	199
Prepayments, deposits and other receivables		**1,070**	1,047
Financial assets at fair value through profit or loss		**–**	99
Bank deposits with maturity over 3 months		**905**	834
Cash and cash equivalents		**10,618**	10,574
Total current assets		**14,176**	12,806
Total assets		**64,475**	63,653

Interim Condensed Consolidated Statement of Financial Position (CONTINUED)

As at 30 September 2025

	Note	30 September 2025 ¥ million (Unaudited)	31 March 2025 ¥ million (Audited)
EQUITY			
Equity attributable to shareholders of the Company			
Share capital	17	**3,000**	3,000
Reserves	18	**17,996**	17,406
		20,996	20,406
Non-controlling interest		**(1,155)**	(1,171)
Total equity		**19,841**	19,235
LIABILITIES			
Non-current liabilities			
Borrowings	20	**5,445**	4,998
Lease liabilities	15	**22,241**	23,154
Provisions and other payables		**2,037**	2,051
		29,723	30,203
Current liabilities			
Trade payables	19	**94**	111
Borrowings	20	**5,778**	4,842
Lease liabilities	15	**2,805**	2,813
Accruals, provisions and other payables		**5,742**	5,721
Current income tax liabilities		**492**	728
		14,911	14,215
Total liabilities		**44,634**	44,418
Total equity and liabilities		**64,475**	63,653

The above interim condensed consolidated statement of financial position should be read in conjunction with the accompanying notes.

Interim Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 September 2025

	Attributable to shareholders of the Company									
	Share capital	Capital surplus (Note 18(a))	Capital reserve (Note 18(b))	Legal reserve (Note 18(c))	Investment revaluation reserve (Note 18(d))	Retained earnings	Exchange reserves	Sub-total	Non-controlling interest	Total
	¥ million	¥ million	¥ million	¥ million	¥ million	¥ million	¥ million	¥ million	¥ million	¥ million
Balance at 1 April 2024	3,000	13,954	(16,028)	107	(187)	19,369	(52)	20,163	(1,182)	18,981
Comprehensive income										
Profit for the period	–	–	–	–	–	451	–	451	–	451
Other comprehensive loss										
Financial assets at fair value through other comprehensive income, net of tax	–	–	–	–	(88)	–	–	(88)	–	(88)
Currency translation difference	–	–	–	–	–	–	59	59	10	69
Total comprehensive income for the period	–	–	–	–	(88)	451	59	422	10	432
Final dividends relating to 2024 (Note 13)	–	–	–	–	–	(203)	–	(203)	–	(203)
Total transactions with owners	–	–	–	–	–	(203)	–	(203)	–	(203)
Balance at 30 September 2024 (Unaudited)	3,000	13,954	(16,028)	107	(275)	19,617	7	20,382	(1,172)	19,210
Balance at 1 April 2025	**3,000**	**13,954**	**(16,028)**	**107**	**(266)**	**19,665**	**(26)**	**20,406**	**(1,171)**	**19,235**
Comprehensive income										
Profit for the period	**–**	**–**	**–**	**–**	**–**	**698**	**–**	**698**	**15**	**713**
Other comprehensive income										
Financial assets at fair value through other comprehensive income, net of tax	**–**	**–**	**–**	**–**	**33**	**–**	**–**	**33**	**–**	**33**
Currency translation difference	**–**	**–**	**–**	**–**	**–**	**–**	**3**	**3**	**1**	**4**
Total comprehensive income for the period	**–**	**–**	**–**	**–**	**33**	**698**	**3**	**734**	**16**	**750**
Final dividends relating to 2025 (Note 13)	**–**	**–**	**–**	**–**	**–**	**(144)**	**–**	**(144)**	**–**	**(144)**
Total transactions with owners	**–**	**–**	**–**	**–**	**–**	**(144)**	**–**	**(144)**	**–**	**(144)**
Balance at 30 September 2025 (Unaudited)	**3,000**	**13,954**	**(16,028)**	**107**	**(233)**	**20,219**	**(23)**	**20,996**	**(1,155)**	**19,841**

The above interim condensed consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

Interim Condensed Consolidated Statement of Cash Flows

For the six months ended 30 September 2025

	Six months ended 30 September	
	2025	2024
	¥ million	¥ million
	(Unaudited)	(Unaudited)
Cash flows from operating activities		
Cash generated from operations	**2,562**	3,819
Interest paid	**(84)**	(68)
Income tax paid	**(746)**	(449)
Net cash generated from operating activities	**1,732**	3,302
Cash flows from investing activities		
Acquisition of subsidiaries, net of cash acquired	**–**	(82)
Purchase of property, plant and equipment	**(1,143)**	(1,141)
Purchase of investment properties	**–**	(666)
Purchase of intangible assets	**(6)**	(2)
Proceeds from disposal of property, plant and equipment	**–**	112
Proceeds from disposal of unlisted securities	**101**	–
Proceeds from bank deposits with maturity over 3 months	**998**	701
Placement of bank deposits with maturity over 3 months	**(1,069)**	(1,233)
Interest received	**14**	6
Dividend received	**13**	13
Net cash used in investing activities	**(1,092)**	(2,292)
Cash flows from financing activities		
Proceeds from borrowings	**4,587**	2,796
Repayment of borrowings	**(3,215)**	(3,596)
Dividends paid	**(144)**	(203)
Principal elements of lease payments	**(1,512)**	(1,860)
Interest elements of lease payments	**(312)**	(346)
Net cash used in financing activities	**(596)**	(3,209)
Net increase/(decrease) in cash and cash equivalents	**44**	(2,199)
Cash and cash equivalents at beginning of the period	**10,574**	12,350
Effect of exchange rate changes on cash and cash equivalents	**–**	(1)
Cash and cash equivalents at end of the period	**10,618**	10,150

The above interim condensed consolidated statement of cash flows should be read in conjunction with the accompanying notes.

Notes to the Interim Condensed Consolidated Financial Information

1 GENERAL INFORMATION

株式会社ニラク▪ジー▪シー▪ホールディングス NIRAKU GC HOLDINGS, INC.* was incorporated in Japan under the Japan Companies Act with limited liability on 10 January 2013. The address of its registered office is 1-39 Hohaccho 1-chome, Koriyama-shi, Fukushima, Japan.

The Company is an investment holding company. The Company and its subsidiaries (together, the "Group") are principally engaged in pachinko and pachislot hall operations, hotel and restaurant operations in Japan, a newly established investment in real estate business, amusement arcade operations in Southeast Asian countries and was previously also engaged in restaurant operations in China. In August 2023, the Group discontinued the restaurant operation in China. Details are set out in Note 11. The Company is listed on the Main Board of The Stock Exchange of Hong Kong Limited.

This interim condensed consolidated financial information is presented in millions of Japanese Yen ("¥"), unless otherwise stated.

This interim condensed consolidated financial information was approved for issue on 25 November 2025.

2 BASIS OF PREPARATION

This interim condensed consolidated financial information for the six months ended 30 September 2025 has been prepared in accordance with International Accounting Standard ("IAS") 34, "Interim Financial Reporting" issued by the International Accounting Standards Board ("IASB"). The interim condensed consolidated financial information does not include all the notes of the type normally included in an annual financial report. Accordingly, this interim condensed consolidated financial information should be read in conjunction with the annual financial statements for the year ended 31 March 2025, which have been prepared in accordance with IFRS Accounting Standards.

The Group had net current liabilities of ¥735 million as at 30 September 2025. The Directors believed that the Group has adequate cash flows to maintain the Group's operation as the Group has cash and cash equivalents of ¥10,618 million and unutilised banking facilities readily available to the Group amounted to ¥2,257 million as at 30 September 2025.

Accordingly, the Directors are of the opinion that the Group is able to meet in full its financial obligations as they fall due for the foreseeable future and it is appropriate to prepare the interim condensed consolidated financial information on a going concern basis.

3 ACCOUNTING POLICIES

Except as described below, the accounting policies adopted are consistent with those as described in the annual financial statements for the year ended 31 March 2025.

Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual earnings.

(a) New and amended standards, improvements and practice statement to existing standards (collectively, the "Amendments") adopted by the Group

The Group has applied the following amendments for the first time for their annual reporting period commencing 1 April 2025:

Amendments to IAS 21 and IFRS 1	Lack of Exchangeability

The adoption of these Amendments did not have any material impact on the Group's accounting policies.

(b) New and amended standards not yet adopted by the Group

The following new standards and amendments to standards have been issued but are not effective for the financial year beginning on 1 April 2025 and have not been early adopted by the Group:

		Effective for accounting period beginning on or after
Amendments to IFRS 7 and IFRS 9	Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Amendments to IFRS 7 and IFRS 9	Contracts Referencing Nature — dependent Electricity	1 January 2026
Amendments to IFRS 1, IFRS 7, IFRS 9 IFRS 10 and IAS 7	Annual Improvements to IFRS Accounting Standards — Volume 11	1 January 2026
IFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
IFRS 19	Subsidiaries without Public Accountability: Disclosures	1 January 2027
IFRS S1	General Requirements for Disclosure of Sustainability-related Financial Information	To be determined
IFRS S2	Climate-related Disclosures	To be determined
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined

The related impacts of the adoption of these new and amended standards to the Group are currently under assessment and the Group is not yet in a position to state whether any substantial changes to the Group's significant policies and presentation of the financial information will result.

4 ESTIMATES

The preparation of interim condensed consolidated financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this interim condensed consolidated financial information, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual financial statements for the year ended 31 March 2025.

5 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

5.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, cash flow and fair value interest rate risk and price risk), credit risk and liquidity risk.

The interim condensed consolidated financial information does not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements for the year ended 31 March 2025.

There have been no changes in the risk management policies since year end.

5.2 Liquidity risk

There was no material change in the liquidity risk since 31 March 2025.

5.3 Fair value estimation

The table below analyses the Group's financial instruments carried at fair value by level of the inputs to valuation techniques used to measure fair value. Such inputs are categorised into three levels within a fair value hierarchy as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

5 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (CONTINUED)

5.3 Fair value estimation (Continued)

	Level 1 ¥ million	Level 2 ¥ million	Level 3 ¥ million	Total ¥ million
As at 30 September 2025 (Unaudited)				
Assets				
Financial assets at fair value through profit or loss				
— Unlisted securities	**–**	**–**	**–**	**–**
Financial assets at fair value through other comprehensive income				
— Listed securities	**462**	**–**	**–**	**462**
	462	**–**	**–**	**462**
As at 31 March 2025 (Audited)				
Assets				
Financial assets at fair value through profit or loss				
— Unlisted securities	–	99	–	99
Financial assets at fair value through other comprehensive income				
— Listed securities	418	–	–	418
	418	99	–	517

(i) *Financial instruments in level 1*

The fair value of financial instruments traded in active markets is based on quoted market prices at the statement of financial position date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in level 1. Instruments included in level 1 represent Tokyo Stock Exchange and The Stock Exchange of Hong Kong equity investments classified as fair value through other comprehensive income which were not held for trading purpose.

(ii) *Financial instruments in level 2*

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. As at 30 September 2025, instruments included in level 2 comprise trust fund and interest rate swaps issued by financial institutions in Japan and which were classified as financial assets/liabilities at fair value through profit or loss.

There were no transfers between levels 1, 2 and 3 during the six months ended 30 September 2025.

6 REVENUE AND SEGMENT INFORMATION

(a) Revenue

An analysis of the revenue of the Group is as follows:

	Six months ended 30 September	
	2025	2024
	¥ million	¥ million
	(Unaudited)	(Unaudited)
Revenue		
Gross pay-ins	**74,176**	71,653
Less: gross pay-outs	**(61,546)**	(59,279)
Revenue from pachinko and pachislot hall business	**12,630**	12,374
Revenue from amusement arcades	**925**	896
Vending machine income	**289**	275
Revenue from hotel operation	**232**	112
Revenue from restaurant operation	**643**	501
Revenue from sales of real estate	**734**	–
Revenue for the period	**15,453**	14,158

(b) Segment information

Management has determined the operating segments based on the reports reviewed by the chief operating decision maker ("CODM") that are used for making strategic decisions. The CODM is identified as the executive directors of the Company. The executive directors consider the business from a service perspective and assess the performance of the operating segments based on a measure of adjusted loss before income tax and unallocated corporate expenses for the purposes of allocating resources and assessing performance. These reports are prepared on the same basis as this interim condensed consolidated financial information.

During the six months ended 30 September 2025, the Group commenced investment in real estate business segment. The business segment engages in investing in hotel properties for resales. Management has identified four reportable segments based on the types of services, namely (i) pachinko and pachislot hall operations, (ii) amusement arcade operations, (iii) investment in real estate and (iv) others, representing hotel, restaurant and other operations in Japan and Hong Kong.

Segment assets consist primarily of property, plant and equipment, investment properties, right-of-use assets, intangible assets, inventories, trade receivables, prepayments, deposits and other receivables, bank deposits and cash and cash equivalents. They exclude deferred income tax assets and assets used for corporate functions including financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income.

Capital expenditure comprises additions to property, plant and equipment, right-of-use assets, investment properties and intangible assets. Unallocated amounts and income tax expenses are not included in segment results.

6 REVENUE AND SEGMENT INFORMATION (CONTINUED)

(b) Segment information (Continued)

The segment information provided to the executive directors for the six months ended 30 September 2025 and 2024 are as follows:

	Six months ended 30 September 2025				
	Pachinko and pachislot hall operations	Amusement arcade operations	Investment in real estate	Other	Total
	Japan	Southeast Asia	Japan	Japan & Hong Kong	
	¥ million	¥ million	¥ million	¥ million	¥ million
Segment revenue from external customers	12,919	925	734	875	15,453
Segment results	1,509	52	222	20	1,803
Unallocated amount					(567)
Profit before income tax					1,236
Income tax expense					(523)
Profit for the period					713
Other segment items					
Depreciation and amortisation expenses	(1,879)	(195)	(6)	(44)	(2,124)
Impairment loss on right-of-use assets	(108)	–	–	(26)	(134)
Impairment loss on property, plant and equipment	(56)	–	–	(28)	(84)
Impairment loss on prepayment	–	–	–	(5)	(5)
Finance income	34	2	1	–	37
Finance costs	(400)	(44)	(16)	(9)	(469)

6 REVENUE AND SEGMENT INFORMATION (CONTINUED)

(b) Segment information (Continued)

	Six months ended 30 September 2024			
	Pachinko and pachislot hall operations	Amusement arcade operations	Other	Total
	Japan	Southeast Asia	Japan & Hong Kong	
	¥ million	¥ million	¥ million	¥ million
Segment revenue from external customers	12,649	896	613	14,158
Segment results	1,591	6	23	1,620
Unallocated amount				(685)
Profit before income tax				935
Income tax expense				(484)
Profit for the period				451
Other segment items				
Depreciation and amortisation expenses	(1,933)	(172)	(28)	(2,133)
Impairment loss on right-of-use assets	(55)	–	–	(55)
Impairment loss on property, plant and equipment	(42)	–	–	(42)
Finance income	34	2	–	36
Finance costs	(435)	(39)	(4)	(478)

6 REVENUE AND SEGMENT INFORMATION (CONTINUED)

(b) Segment information (Continued)

The segment assets as at 30 September 2025 and 31 March 2025 are as follows:

	Pachinko and pachislot hall operations Japan ¥ million	Amusement arcade operations Southeast Asia ¥ million	Investment in real estate Japan ¥ million	Other Japan & Hong Kong ¥ million	Total ¥ million
As at 30 September 2025					
Segment assets	**46,888**	**2,025**	**2,606**	**4,078**	**55,597**
Unallocated assets					**3,790**
Deferred income tax assets					**5,088**
Total assets					**64,475**
Addition to non-current assets other than financial instruments and deferred tax assets	**1,538**	**207**	**32**	**2**	**1,779**

	Pachinko and pachislot hall operations Japan ¥ million	Amusement arcade operations Southeast Asia ¥ million	Other Japan & Hong Kong ¥ million	Total ¥ million
As at 31 March 2025				
Segment assets	51,829	1,895	1,497	55,221
Unallocated assets				3,318
Deferred income tax assets				5,114
Total assets				63,653
Addition to non-current assets other than financial instruments and deferred tax assets	3,214	747	262	4,223

6 REVENUE AND SEGMENT INFORMATION (CONTINUED)

(b) Segment information (Continued)

The total non-current assets other than financial instruments and deferred tax assets, analysed by location of the assets, are as follows:

	As at 30 September 2025 ¥ million (Unaudited)	As at 31 March 2025 ¥ million (Audited)
Japan	**39,570**	40,112
Southeast Asia	**1,106**	1,135
	40,676	41,247

No single external customer contributed more than 10% revenue to the Group's revenue for the six months ended 30 September 2025 and 2024.

7 OTHER INCOME AND OTHER LOSSES, NET

	Six months ended 30 September	
	2025 ¥ million (Unaudited)	2024 ¥ million (Unaudited)
Other income		
Rental income	**106**	109
Income from expired IC and membership cards	**17**	15
Dividend income	**13**	13
Compensation and subsidies	**4**	2
Income from scrap sales of used pachinko and pachislot machines	**43**	54
Others	**10**	9
	193	202
Other losses, net		
Gain on fair value of financial assets through profit or loss	**–**	2
Gain on disposal of fair value of financial assets through profit or loss	**2**	–
Gain on fair value of derivative financial instruments	**–**	1
Loss on disposal of property, plant and equipment, net	**(14)**	(4)
Net exchange loss	**(49)**	(154)
	(61)	(155)

8 OPERATING PROFIT

Operating profit is stated after charging the following:

	Six months ended 30 September	
	2025	2024
	¥ million	¥ million
	(Unaudited)	(Unaudited)
Employee benefits expenses		
— Hall, hotel and restaurant operations	**2,244**	2,132
— Administrative and others	**957**	621
Short-term operating lease rental expense in respect of land and buildings	**135**	163
Depreciation of property, plant and equipment	**803**	742
Depreciation of right-of-use assets	**1,272**	1,348
Depreciation of investment properties	**23**	11
Amortisation of intangible assets	**26**	32
Impairment loss on property, plant and equipment	**84**	42
Impairment loss on right-of-use assets	**134**	55
Impairment loss on prepayment	**5**	–
Pachinko and pachislot machines expenses (Note i)	**4,101**	3,770
Cost of inventories (Note ii)	**209**	164
Cost of properties sold	**417**	–

Note i:

Pachinko and pachislot machines are expensed off in the interim condensed consolidated statement of comprehensive income upon installation. The expected useful lives of these machines are less than one year.

Note ii:

The cost of inventories represents food and beverage costs.

9 FINANCE COSTS, NET

	Six months ended 30 September	
	2025	2024
	¥ million	¥ million
	(Unaudited)	(Unaudited)
Finance income		
Bank interest income	**14**	6
Interest income on lease receivables	**15**	16
Other interest income	**8**	14
	37	36
Finance costs		
Bank borrowings	**(84)**	(68)
Lease liabilities	**(312)**	(346)
Provision for unwinding discount	**(73)**	(64)
	(469)	(478)
Finance costs, net	**(432)**	(442)

10 INCOME TAX EXPENSE

	Six months ended 30 September	
	2025	2024
	¥ million	¥ million
	(Unaudited)	(Unaudited)
Current tax		
— Japan	**456**	405
— Other Asian countries	**54**	31
	510	436
Deferred income tax	**13**	48
Total charge for the period	**523**	484

Japan corporate income tax includes national corporate income tax, inhabitants tax, and enterprise tax, and has been calculated on the estimated assessable profit for the year. For the six months ended 30 September 2025, the effective rates of national corporate income tax, inhabitants tax, and enterprise tax resulted in statutory income tax rates of 34.1% (For the six months ended 30 September 2024: same).

Income tax for the Group's Vietnam operations has been provided at the rate of 20.0% for the six months ended 30 September 2025 (For the six months ended 30 September 2024: same) on the estimated assessable profit derived from Vietnam for the year. Taxation on other jurisdictions' profits has been calculated on the estimated assessable profits for the year at the rates of taxation prevailing in the jurisdictions in which the Group operates).

11 WINDING UP OF NPJ CHINA YOKOCHO CO., LTD. ("NPJ China")

Due to the spread of COVID-19 and intermittent business suspension policy imposed in China, the restaurant operations in China ("YOKOCHO business") had been suffering from persistent loss. After due and careful consideration, on 27 July 2023, a written resolution was passed by all directors of NPJ Hong Kong Limited (an indirectly non-wholly-owned subsidiary of the Company) to resolve NPJ China, a wholly-owned subsidiary of NPJ Hong Kong Limited, to withdraw from its YOKOCHO business in China in August 2023. The YOKOCHO business officially ceased on 15 August 2023. Provision for loss on early termination of lease amounted ¥691 million was recognised upon the cessation of business. On 19 September 2023, another written resolution was passed by the Board of NPJ Hong Kong Limited to approve the bankruptcy plan of the YOKOCHO business. On 1 March 2024, another written resolution was passed by the board of directors of the Company to approve for filing of a bankruptcy liquidation to the court in China. Subsequently on 17 April 2024, a bankruptcy order was granted by the Shenzhen Intermediate People's Court (the "Court") and a trustee was then appointed by the Court on 22 April 2024. The management of the Group believes that the cessation of business operation of NPJ China will improve the financial position of the Group, which is in the interests of the Company and its shareholders as a whole. As of the interim report date, the bankruptcy process is ongoing.

12 EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of ordinary shares in issue during the six months ended 30 September 2025 and 2024.

	Six months ended 30 September	
	2025	2024
	(Unaudited)	(Unaudited)
Profit attributable to owners of the Company (¥ million)	**698**	451
Weighted average number of shares for the purpose of calculating basic earnings per share (thousands)	**1,195,850**	1,195,850
Basic and diluted earnings per share (¥)	**0.58**	0.38

Diluted earnings per share is the same as basic earnings per share as there was no potential dilutive shares during the six months ended 30 September 2025 and 2024.

13 DIVIDENDS

For the six months ended 30 September 2025 the Company paid dividend of ¥144 million (¥0.12 per ordinary share) to their shareholders in respect of the year ended 31 March 2025.

On 25 November 2025, the Board declared an interim dividend of ¥0.20 per ordinary share totalling ¥239 million in respect of the six months ended 30 September 2025 (30 September 2024: ¥0.09 per ordinary share totalling ¥108 million). These interim condensed consolidated financial information do not reflect this dividend payable.

14 PROPERTY, PLANT AND EQUIPMENT, INVESTMENT PROPERTIES AND INTANGIBLE ASSETS

During the six months ended 30 September 2025, the Group incurred capital expenditures of approximately ¥1,199 million and ¥6 million for property, plant and equipment and intangible assets, respectively (For the six months ended 30 September 2024: ¥1,019 million for property, plant and equipment, ¥666 million for investment properties and ¥2 million for intangible assets, respectively).

During the six months ended 30 September 2025, the net book amounts of disposal of property, plant and equipment amounted to approximately ¥7 million (For the six months ended 30 September 2024: ¥116 million).

As at 30 September 2025, property, plant and equipment and investment properties of ¥8,535 million and ¥1,297 million, respectively, (31 March 2025: ¥8,756 million and ¥532 million, respectively) were pledged to secure bank borrowings.

14 PROPERTY, PLANT AND EQUIPMENT, INVESTMENT PROPERTIES AND INTANGIBLE ASSETS (CONTINUED)

The Group carries out reviews of the recoverable amounts of each cash-generating unit ("CGU"), which is determined as each individual pachinko and pachislot hall in Japan, each hotel in Japan, each restaurant in Japan and each amusement arcade in Southeast Asia, whenever impairment indicator is noted.

For the six months ended 30 September 2025, management assessed for whether each of the CGU has any impairment indicator by considering whether the CGU recorded operating loss after overhead allocation with a performance below budget (defined as not fulfilling the projected operating cashflow after overhead allocation), or consecutive operating loss after overhead allocation for 2 periods, unless the CGU is still in investment stage. Management has also considered that impairment indicators may arise from changes in economic conditions, technological advancements, political changes, and other external factors. The management has reviewed the recoverability of the relevant carrying amounts of these CGUs.

The recoverable amount of a CGU is determined as the higher of value-in-use or the fair value less cost of disposal.

For pachinko and pachislot hall operations and restaurant operations, the value-in-use calculations use pre-tax cash flow projections based on financial budgets approved by management covering a 18-month period, which has taken into account the performance of each of the CGU in current year and incorporating management's latest plans for each CGU. Cash flows beyond the 18-month period are extrapolated using the estimated growth rates stated below.

	Six months ended 30 September					
	2025			2024		
	First 18-month revenue growth rate	**Revenue growth rate after first 18-month period**	**Pre-tax discount rate**	First 18-month revenue growth rate	Revenue growth rate after first 18-month period	Pre-tax discount rate
Pachinko and pachislot hall operations	**-7% to +16%**	**0%**	**9.8%**	-8% to +20%	0%	9.3%
Restaurant operations	**+5 to +6%**	**0%**	**9.8%**	N/A	N/A	N/A

14 PROPERTY, PLANT AND EQUIPMENT, INVESTMENT PROPERTIES AND INTANGIBLE ASSETS (CONTINUED)

For amusement arcade operations, the value-in-use calculations use pre-tax cash flow projections based on financial budgets approved by management covering a 18-month period which has taken into account the performance of each of the CGU in current year and incorporating management's latest plans for each CGU. Cash flows beyond the two-years period are extrapolated using the estimated growth rates stated below.

	Six months ended 30 September					
	2025			2024		
	First 18-month revenue growth rate	**Revenue growth rate after first 18-month period**	**Pre-tax discount rate**	First 18-month revenue growth rate	Revenue growth rate after first 18-month period	Pre-tax discount rate
Amusement arcade operations	**-8% to +62%**	**+4% to +8%**	**11.5%**	+11% to +35%	0%	11.3%

The discount rates applied by the Group are rates that reflect current market assessment of the time value of money and the risk specific to the CGUs. Revenue growth rates are based on past experience and expectations on market and operational development.

The fair value less cost of disposal is applied for CGU with significant self-owned property, for impairment assessment purpose. The fair value less cost of disposal calculations are based on valuation carried out by an independent professionally qualified valuer, who holds recognised relevant professional qualifications and has recent experiences in the locations and segments of the properties valued. The valuations were determined using the sales comparison approach or income approach, which largely used observable and unobservable inputs, including unit price per square meter of sales comparable for land and monthly rental per square meter of sales comparable for land and building.

14 PROPERTY, PLANT AND EQUIPMENT, INVESTMENT PROPERTIES AND INTANGIBLE ASSETS (CONTINUED)

The key assumptions used for fair value less costs of disposal calculation for the six months ended 30 September 2025 and 2024 are as follows

	Six months ended 30 September	
	2025	2024
Income approach		
Monthly rental per square meter	**¥1,284 – ¥4,380**	N/A
Sales comparison approach		
Land — unit price/square meter	**¥3,730 – ¥644,000**	¥644,000
Land and building — unit price/square meter	**N/A**	¥151,000

The Group's finance department includes a team that reviews the valuations performed by the independent valuer and adopted the inputs from the latest property market transactions, for purposes of the fair value less cost of disposal calculation. This team reports directly to the executive directors. Discussions of valuation processes and results are held between the valuation team and the senior management at least annually.

The management compared the recoverable amounts derived by the value-in-use and fair value less cost of disposal, and applied the higher of the two for the provision for impairment.

For the six months ended 30 September 2025, as a result of the impairment review, impairment loss of approximately ¥84 million (For the six months ended 30 September 2024: ¥42 million), ¥134 million (For the six months ended 30 September 2024: ¥55 million) and ¥5 million (For the six months ended 30 September 2024: Nil) has been recognised on property, plant and equipment, right-of-use assets (Note 15) and prepayment respectively. There was no impairment loss recognised for other non-current assets for the six months ended 30 September 2025 (For the six months ended 30 September 2024: same).

For pachinko and pachislot operations, if the first 18-month revenue growth rate in the value-in-use calculations decreased by 2% with other assumptions remain constant, addition in impairment loss of ¥125 million (For the six months ended 30 September 2024: addition in impairment loss of ¥123 million) would be recorded. If the annual revenue growth rate after the first 18-month period decreases by 1%, with other assumptions remain constant, impairment loss would be increased by ¥42 million (For the six months ended 30 September 2024: Nil). If the discount rate in the value-in-use calculations increased by 1% with other assumptions remain constant, addition in impairment loss of ¥25 million (For the six months ended 30 September 2024: addition in impairment loss of ¥82 million) would be recorded. For fair value less costs of disposal, management has applied sensitivity to the result by decreasing the monthly rental per square meter by 2%. No additional impairment loss would be recorded.

For restaurant operations, if the 18-month revenue growth rate in the value-in-use calculations decreased by 2%, annual revenue growth rate after the first 18-month period decreases by 1% or the discount rate increased by 1%, with other assumptions remain constant, the additional impairment loss would be immaterial to the financial statement (For the six months ended 30 September 2024: Same).

14 PROPERTY, PLANT AND EQUIPMENT, INVESTMENT PROPERTIES AND INTANGIBLE ASSETS (CONTINUED)

For hotel operations, no reasonably possible change in a key assumption which would cause the carrying amount to exceed its recoverable amount (For the six months ended 30 September 2024: Same).

For amusement arcade operations, if the first 18-month period revenue growth rate in the value-in-use calculations decreases by 2% with other assumptions remain constant, impairment loss would be increased by ¥14 million (For the six months ended 30 September 2024: Nil). If the annual revenue growth rate after the first 18-month period decreases by 1%, with other assumptions remain constant, impairment loss would be increased by ¥6 million (For the six months ended 30 September 2024: Nil). If the discount rate in the value-in-use calculations increases by 1% with other assumptions remain constant, impairment loss would be increased by ¥7 million (For the six months ended 30 September 2024: Nil).

15 LEASES

During the six months ended 30 September 2025, the Group entered into a number of lease agreements for renewal of existing pachinko hall and restaurant lease contracts, and therefore recognised the additions of right-of-use assets ¥574 million (For the six months ended 30 September 2024: ¥931 million).

Amounts recognised in the interim condensed consolidated statement of financial position are as follows:

	30 September 2025 ¥ million (Unaudited)	31 March 2025 ¥ million (Audited)
Right-of-use assets		
Buildings	**17,601**	18,415
Leasehold improvement	**2,991**	3,020
Equipment and tools	**172**	206
Vehicles	**36**	38
	20,800	21,679
Lease liabilities		
Current	**2,805**	2,813
Non-current	**22,241**	23,154
	25,046	25,967

15 LEASES (CONTINUED)

For the six months ended 30 September 2025, as a result of the impairment review, impairment loss of approximately ¥134 million (For the six months ended 30 September 2024: ¥55 million) has been recognised on right-of-use assets. Please refer to Note 14 for details of the impairment review.

16 TRADE RECEIVABLES

	30 September 2025	31 March 2025
	¥ million	¥ million
	(Unaudited)	(Audited)
Trade receivables	**239**	199

Trade receivables represent commission income receivable from vending machines and income receivables from hotel and restaurant operations. The credit terms granted by the Group generally ranged from 0 to 30 days.

The ageing analysis of the trade receivables, based on invoice date, is as follows:

	30 September 2025	31 March 2025
	¥ million	¥ million
	(Unaudited)	(Audited)
Less than 30 days	**239**	199

17 SHARE CAPITAL

	Number of shares (thousands)	Share capital ¥ million
Ordinary shares, issued and fully paid:		
At 30 September 2024, 1 April 2025 and 30 September 2025	1,195,850	3,000

18 RESERVES

(a) Capital surplus

Under the Japan Companies Act, certain portion of the consideration from the issuance of share capital shall be credited to the share capital and the remaining of the consideration shall be credited to capital surplus.

(b) Capital reserve

Capital reserve represents the difference between the value of net assets of the subsidiary acquired by the Company and the share capitals in acquired subsidiaries under common control.

(c) Legal reserve

The Japan Companies Act provides that a 10% dividend paid during the year shall be appropriated as legal reserve (a component of either capital surplus or retained earnings) until an aggregate amount of legal capital reserve and legal retained earnings equals 25% of share capital. The legal reserve may be used to reduce a deficit or transfer to share capital upon approval of the general meeting of shareholders.

(d) Investment revaluation reserve

The investment revaluation reserve comprises the cumulative net change in the fair value of financial assets through other comprehensive income held at the end of the reporting period.

19 TRADE PAYABLES

The ageing analysis of the trade payables, based on invoice dates, were as follows:

	30 September 2025 ¥ million (Unaudited)	31 March 2025 ¥ million (Audited)
Less than 30 days	**93**	110
31–90 days	**1**	1
	94	111

20 BORROWINGS

	30 September 2025 ¥ million (Unaudited)	31 March 2025 ¥ million (Audited)
Non-current portion		
Bank loans	**2,443**	2,294
Syndicated loans	**3,002**	2,704
	5,445	4,998
Current portion		
Bank loans	**4,070**	3,057
Syndicated loans	**1,708**	1,785
	5,778	4,842
Total borrowings	**11,223**	9,840

21 INTEREST IN AN ASSOCIATE

	30 September 2025 ¥ million (Unaudited)	31 March 2025 ¥ million (Audited)
Investment in unlisted shares, at cost	**5**	5
Share of results:		
At 1 April	**(5)**	(5)
Share of loss	**–**	–
Interest in an associate	**–**	–

Details of the associate as at 30 September 2025 and 31 March 2025 are as follows:

Name	Place of incorporation and kind of legal entity	Principal activities and place of operation	Particulars of issued share capital	Interest held 30 September 2025	Interest held 31 March 2025
Yes! E-Sports Asia Holdings Limited ("YEAH")	Hong Kong, limited liability company	Provision for e-sports events services	50,000 shares with paid up capital of USD100,000	**40%**	40%

There is no contingent liability relating to the Group's interest in the associate.

22 CONTINGENCIES

As at 30 September 2025, the Group did not have any significant contingent liabilities (31 March 2025: same).

23 COMMITMENTS

Capital commitments

The outstanding capital commitments not provided or in the interim condensed consolidated financial information are as follows:

	30 September 2025 ¥ million (Unaudited)	31 March 2025 ¥ million (Audited)
Contracted but not provided for		
Purchase of property, plant and equipment	**1**	39

24 RELATED PARTY TRANSACTIONS

For the purposes of this interim condensed consolidated financial information, parties are considered to be related to the Group if the party has the ability, directly or indirectly, to exercise significant influence over the Group in making financial and operating decisions. Related parties may be individuals (being members of key management personnel, significant shareholders and/or their close family members) or other entities and include entities which are under the significant influence of related parties of the Group where those parties are individuals. Parties are also considered to be related if they are subject to common control.

(a) Transactions with related parties

Other than those transactions and balances disclosed elsewhere in the condensed consolidated interim financial information, the following transactions were carried out with related parties:

	Six months ended 30 September	
	2025	2024
	¥ million	¥ million
	(Unaudited)	(Unaudited)
Service fee expenses		
Niraku USA, Inc.	**9**	12

The service fee paid was related to provision of gaming research services carried out by Niraku USA, Inc. and provision of training to employees of the Group in USA. Niraku USA, Inc. is a firm controlled by certain parties among the controlling shareholders of the Company.

The transactions with related parties were conducted in the ordinary course of the business based on terms mutually agreed between the relevant parties.

(b) Key management compensation

Key management includes directors (executive, non-executive and external directors) and the senior management of the Group. The compensation paid or payable to key management for employee services is shown below:

	Six months ended 30 September	
	2025	2024
	¥ million	¥ million
	(Unaudited)	(Unaudited)
Directors' fees	**201**	143
Basic salaries, allowances and other benefits in kind	**16**	17
Employee's contribution to pension scheme	**3**	3
	220	163

25 SUBSEQUENT EVENTS

(i) Acquisition and disposal of land, buildings and assets

On 29 August 2025, a wholly-owned subsidiary of the Company, NBI Holdings Co., Ltd. ("NBI"), entered into purchase and sale agreement with the two independent third party sellers for the acquisition of the land, buildings and assets (the "properties") located at Kanagawa Prefecture, Japan, at a total consideration of ¥901 million. On the same day, NBI signed a purchase and sale agreement with an independent third-party purchaser for disposing the properties at a total consideration of ¥1,166 million. Both transactions had been completed on 2 October 2025.

(ii) Acquisition of pachinko hall business

On 30 September 2025, a wholly-owned subsidiary of the Company, Niraku Corporation, entered into an absorption-type company split agreement with a third-party seller for the acquisition of two pachinko hall businesses at a consideration of ¥520 million. The completion date of the acquisition is expected to be on 1 December 2025.

(iii) Acquisition of land and buildings

On 16 October 2025, NBI entered into a purchase and sale agreement with an independent third-party seller, for the acquisition of the land and the buildings located at Shizuoka Prefecture, Japan, at a total consideration of ¥791 million. The transaction was completed on 4 November 2025.

(iv) Disposal of land and buildings

On 20 November 2025, NBI Regional Revitalization Investment Co., Ltd. ("NBII"), an indirect non-wholly-owned subsidiary of the Company, entered into two trust agreements (the "Entrustments") with two separate trustees to entrust two properties held for sale located at Oita Prefecture and Shizuoka Prefecture, Japan, respectively (the "Properties").

On the same day, NBII entered into two separate trust beneficial interest assignment agreements (the "Assignments") with an independent third-party purchaser for the assignment of the trust beneficial interest in the Properties, at a transfer price of ¥956 million and ¥875 million, respectively. The completion date of the Entrustments and the Assignments is expected to be on 2 December 2025.

NIRAKU GC HOLDINGS

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