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DYNAM JAPAN HOLDINGS Co., Ltd.

(incorporated in Japan with limited liability)

(Stock Code: 06889)

**DISCLOSEABLE TRANSACTION
IN RELATION TO
THE PURCHASE AND LEASEBACK ARRANGEMENT OF
ONE AIRCRAFT**

AIRCRAFT AGREEMENT

The Board is pleased to announce that DAIL has entered into the Aircraft Agreement with Indigo on 18 December 2019 pursuant to which Indigo has agreed, amongst other things, to assign its right to take title to the Aircraft under the Original Purchase Contract to DAIL and DAIL has agreed to enter into an agreement to purchase the Aircraft directly from Airbus. Immediately following the acquisition of the Aircraft by DAIL, the Aircraft will be leased to Indigo pursuant to the Lease Agreement.

LISTING RULES IMPLICATION

As one or more of the applicable percentage ratios under Rule 14.07 of the Listing Rules for the Aircraft Agreement is above 5% but all are below 25%, the Transaction constitutes a discloseable transaction of the Company and is therefore subject to announcement requirement under chapter 14 of the Listing Rules.

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Date : 18 December 2019

Parties: DAIL, as the assignee, purchaser and lessor;

Airbus, as the seller; and

Indigo, as the assignor and lessee.

Aircraft to be acquired: the Aircraft

Consideration

The list price of the Aircraft (which comprises the airframe price, optional features price and engine price and forecast escalation and such information is generally publicly available) is approximately US\$129.5 million (equivalent to approximately HK\$1,013.8 million).

There is a significant price difference between the list price of the Aircraft and the actual purchase price of the Aircraft under the Aircraft Agreement. The actual purchase price of the Aircraft under the Aircraft Agreement was established in an arm's length negotiation between DAIL and Indigo, taking into account the terms and conditions of the Transaction as a whole and with reference to market conditions.

Based on the Company's industry understanding, the difference between the Consideration and the list price of the Aircraft is a result of many different factors, the most important of which is that a purchaser of a new aircraft from a manufacturer would usually be granted a significant discount against the list price by the manufacturer. The discount against the list price granted by a manufacturer to an aircraft purchaser is commercially sensitive information and is usually determined on the basis of certain variables and after arm's length negotiations between the aircraft purchaser and the manufacturer. The Company believes that the extent of such price differences between the list price of the Aircraft and the actual purchase price of the Aircraft under the Aircraft Agreement are not materially different from the price adjustments obtained in previous aircraft purchases from Airbus. The actual purchase price of the Aircraft under the Aircraft Agreement is lower than the list price of such Aircraft.

DAIL is subject to strict confidentiality provisions with regard to the actual purchase price of the Aircraft to Indigo. Indigo is also subject to strict confidentiality provisions with regard to the actual purchase price of the Aircraft under the Original Purchase Contract to Airbus. Any disclosure of the actual purchase price of such Aircraft could result in the loss of the significant price adjustments granted by Airbus to Indigo for future purchases, and it is also likely that the Company would not be able to enter into similar future transactions with Indigo. Any such disclosure would therefore not be in the interests of the Group and the Shareholders as a whole. Neither DAIL nor Indigo has obtained consent from Airbus to disclose the actual purchase price of the Aircraft.

It is also normal business practice in the global aviation industry for the aircraft list price, instead of the actual purchase price, to be disclosed for the acquisition of new aircraft.

The difference between actual purchase price and list price will mainly affect the depreciation of the Aircraft in the future operating costs of the Company. The Company believes that the price difference has no material impact on the Company's future operating costs taken as a whole.

The Company has applied to the Stock Exchange for, and the Stock Exchange has granted, a waiver from strict compliance with Rule 14.58(4) of the Listing Rules in respect of disclosure of the Consideration.

Payment and delivery terms

The Consideration of the Transaction is payable in cash upon delivery of such Aircraft. DAIL expects to take delivery of the Aircraft and close the Transaction prior to 29 February 2020.

Source of funding

The Consideration will be partly settled from the Group's internal resources and partly by financing arrangements with banking institutions.

REASONS FOR ENTERING INTO THE TRANSACTION

The Company entered into the Transaction as part of an aircraft purchase and leasing arrangement.

The Directors are of the view that completion of the Transaction will accelerate expansion and diversification of the Group's fleet portfolio. The purchase-and-leaseback arrangement enables the Group to expand its fleet while securing long-term leases, through which the Group provides flexible solutions to cater to airline customers' fleet plan. The Transaction will also strengthen the Group's long-term relationship with quality airlines in India, a booming aviation market.

The Directors confirm that the Aircraft Agreement has been entered into by DAIL in the ordinary and usual course of business and that the Transaction will have no material adverse impact on the Company's operations and financial positions. The Directors consider that the Aircraft Agreement has been entered into on normal commercial terms which are fair and reasonable and in the interest of the Company and the Shareholders as a whole.

INFORMATION ABOUT THE GROUP AND INDIGO

The Group is principally engaged in in the business of pachinko hall operation and global aircraft leasing business with a fleet of 2 aircraft owned, managed or on order as at the date of this announcement.

To the knowledge of the Directors, Indigo is principally engaged in the business of civil aviation services.

To the best of the Directors' knowledge, information and belief and having made all reasonable enquiry, Indigo and its ultimate beneficial owners are third parties independent of the Company and its connected persons.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios under Rule 14.07 of the Listing Rules for the Aircraft Agreement is above 5% but all are below 25%, the Transaction constitutes a discloseable transaction of the Company and is therefore subject to announcement requirement under chapter 14 of the Listing Rules.

DEFINITIONS

In this announcement, the following expressions shall (unless the context otherwise requires) have the following meanings:

"Aircraft"	one (1) Airbus A321Neo aircraft
"Aircraft Agreement"	the agreement to assign right to take title to aircraft entered into between DAIL (as assignee) and Indigo (as assignor) on 18 December 2019, pursuant to which DAIL has agreed, amongst other things, to enter into an agreement to purchase the Aircraft from Airbus
"Airbus"	Airbus S.A.S., a société par actions simplifiée duly created and existing under French law
"Board"	the board of Directors
"Company"	DYNAM JAPAN HOLDINGS Co., Ltd, a company incorporated under the laws of Japan with limited liability the shares of which are listed on the Main Board of the Stock Exchange
"connected person(s)"	has the meaning ascribed to it under the Listing Rules

"Consideration"	the actual consideration payable by DAIL to Indigo for the purchase of the Aircraft
"DAIL"	Dynam Aviation Ireland Three Limited, an indirect wholly-owned subsidiary of the Company
"Directors"	the directors 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
"Indigo"	InterGlobe Aviation Limited, a company established under the laws of India
"Lease Agreement"	the aircraft dry operating lease agreement entered into between DAIL (as lessor) and Indigo (as lessee) on 18 December 2019, pursuant to which DAIL has agreed to lease and Indigo has agreed to take on lease the Aircraft subject to the terms and conditions set out therein.
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Original Purchase Contract"	the aircraft purchase contract in relation to the Aircraft originally entered into between Indigo and Airbus prior to the Transaction
"Shareholder(s)"	shareholder(s) of the Company
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Transaction"	the transaction contemplated under the Aircraft Agreement
"US\$"	United States dollars, the lawful currency of the United States of America
"%"	percent.

In this announcement, certain amounts denominated in US\$ are translated into HK\$ at the exchange rate shown below, but such conversions shall not be construed as representations that amounts in US\$ were or may have been converted into HK\$ at such rate or any other exchange rates or at all: US\$1 = HK\$7.80.

By order of the Board
DYNAM JAPAN HOLDINGS Co., Ltd
Kohei SATO
Chairman of the Board

Tokyo, Japan 19 December 2019

As of the date of this announcement, the executive Director is Mr. Kohei SATO, the non-executive Directors are Mr. Yoji SATO, Mr. Tatsuji FUJIMOTO and Mr. Noriaki USHIJIMA, and the independent non-executive Directors are Mr. Ichiro TAKANO, Mr. Mitsutoshi KATO, Mr. Thomas Chun Kee YIP, Mr. Kei MURAYAMA and Mr. Kiyohito KANDA.