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DYNAM JAPAN HOLDINGS Co., Ltd.

(incorporated in Japan with limited liability)

(Stock code: 06889)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the annual general meeting of DYNAM JAPAN HOLDINGS Co., Ltd. (the “Company”) will be held at a meeting room of the headquarters of the Company at 2-25-1-702 Nishi-Nippori, Arakawa-ku, Tokyo, Japan on Thursday, 23 June 2022 at 10:00 a.m., (Japan time) for the following purposes:

MATTERS TO BE REPORTED

Report on the Business Report and the Financial Statements, and report on results of the audit by the Accounting Auditor and the review by the Audit Committee on the Financial Statements for the 11th fiscal year (from 1 April 2021 to 31 March 2022)

MATTERS TO BE RESOLVED

| | |
|-------------------|--|
| First Resolution | Proposed Partial Amendments to the Articles of Incorporation |
| Second Resolution | General Mandate to Allot, Issue and Deal in Shares |
| Third Resolution | General Mandate to Repurchase Shares |
| Fourth Resolution | Proposed Election of Nine (9) Directors |
| Fifth Resolution | Proposed Election of an Auditor pursuant to the Rules Governing the Listing of Securities of The Stock Exchange of Hong Kong Limited |

By order of the Board
DYNAM JAPAN HOLDINGS Co., Ltd.
Makoto SAKAMOTO
Chairman of the Board

Tokyo, Japan, 1 June 2022

Registered office and headquarters:
2-25-1-702 Nishi-Nippori, Arakawa-ku
Tokyo, 116-0013, Japan

Principal place of business in Hong Kong:
Unit 1, 32/F, Hong Kong Plaza,
188 Connaught Road West, Hong Kong

As of the date of this announcement, the executive director of the Company is Mr. Makoto SAKAMOTO, the non-executive directors of the Company are Mr. Yoji SATO, Mr. Kohei SATO and Mr. Akira HOSAKA, and the independent non-executive directors of the Company are Mr. Mitsutoshi KATO, Mr. Thomas Chun Kee YIP, Mr. Kei MURAYAMA, Mr. Kiyohito KANDA and Mr. Koji KATO.

This document has been prepared in compliance with the Companies Act of Japan (the “Companies Act”) and the Rules Governing the Listing of Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

1 June 2022

Makoto SAKAMOTO, Director and Chief Executive Officer
DYNAM JAPAN HOLDINGS Co., Ltd.
2-25-1-702 Nishi-Nippori, Arakawa-ku, Tokyo, Japan

**CONVOCATION NOTICE
FOR THE 11TH ANNUAL GENERAL MEETING OF SHAREHOLDERS**

Dear Shareholders:

NOTICE IS HEREBY GIVEN THAT the 11th Annual General Meeting of Shareholders (the “Meeting”) of DYNAM JAPAN HOLDINGS Co., Ltd. (the “Company”) will be held as detailed hereinafter, and your attendance is cordially requested.

Particulars:

- 1. Date and time:** Thursday, 23 June 2022 at 10:00 a.m., Japan time (Reception starts at 9:30 a.m.)
- 2. Location:** Meeting Room of the Company’s Headquarter
2-25-1-702 Nishi-Nippori, Arakawa-ku, Tokyo, Japan
- 3. Agenda of the Meeting:**

Matters to be Reported

Report on the Business Report and the Financial Statements, and report on results of the audit by the Accounting Auditor and the review by the Audit Committee on the Financial Statements for the 11th fiscal year (from 1 April 2021 to 31 March 2022)

Matters to be Resolved

| | |
|--------------------------|--|
| First Resolution | Proposed Partial Amendments to the Articles of Incorporation |
| Second Resolution | General Mandate to Allot, Issue and Deal in Shares |
| Third Resolution | General Mandate to Repurchase Shares |
| Fourth Resolution | Proposed Election of Nine (9) Directors |
| Fifth Resolution | Proposed Election of an Auditor pursuant to the Listing Rules |

4. Rules on Convocation for the Meeting

(1) Shareholders attending the Meeting in person

Shareholders of the Company (the “Shareholders”) will be requested to confirm their identity at the reception. Confirmation of identity will be carried out by the method of comparing the Shareholder’s signature with the signature he/she has registered in advance. Please bring a piece of identification such as a passport or driver’s license.

(2) Proxies representing Shareholders who are unable to attend the Meeting

Please fill out the required information on the proxy form sent by the Company, and have it signed personally by the Shareholder. The signature will be compared to the signature of the Shareholder that has been registered in advance to confirm that it is the Shareholder’s own signature, so Shareholders are requested to use the same signature that they have registered in advance.

Proxies are requested to submit the proxy form with the required information filled in and signed personally by the Shareholder to the reception desk of the Meeting on the day thereof.

Proxies will be asked to confirm their identity at the reception. Please bring a piece of identification such as a passport or driver’s license to confirm your identity as the person named on the proxy form.

(3) Shareholders who are not attending the Meeting and who assign their proxies to the Chairman of the Meeting

Please fill out the required information on the proxy form sent by the Company (please do not fill out the spaces for the home or main office address of the proxy and name of the proxy), and have it signed personally by the Shareholder. The signature will be compared to the signature of the Shareholder that has been registered in advance to confirm that it is the Shareholder’s own signature, so Shareholders are requested to use the same signature that they have registered in advance.

Please send the proxy form, filled in with the required information excluding the home or main office address of the proxy and name of the proxy and signed personally by the Shareholder by mail to the location of the Meeting by no later than the date of the Meeting OR deposit such proxy form at the Company’s share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the Meeting.

5. Other Precautions

- (1) All resolutions set out in this convocation notice (the “Notice”) will be decided by poll at the Meeting in accordance with Rule 13.39(4) of the Listing Rules.
- (2) Shareholders having voting rights recorded in the most recent share registry as of 23 May 2022 shall be deemed to be Shareholders permitted to attend and vote at the Meeting.
- (3) Shareholders who intend to cast their votes in different ways (i.e. partly for and partly against a resolution) are requested to notify the Company in writing of their intention to do so and the reason therefor no later than 3 days before the Meeting.
- (4) Beneficial owners of the shares of the Company (the “Shares”) who hold pecuniary interests and voting rights in the Company with respect to the Shares deposited into the Central Clearing and Settlement System (“CCASS”) and registered in the name of HKSCC Nominees Limited (“HKSCC Nominees”) (the “CCASS Beneficial Owners”) are not recognised as Shareholders under Japanese law. HKSCC Nominees will exercise the voting rights entitled by the CCASS Beneficial Owners in accordance with the pre-determined arrangements between HKSCC Nominees and the CCASS Beneficial Owners and the general operational rules of CCASS.

Final Dividend for the 11th fiscal year

On 25 May 2022, the board (the “Board”) of directors (the “Directors”) of the Company declared the final dividend of JPY2.6 or HKD0.1591 per ordinary share of the Company. The final dividend will be payable on Friday, 24 June 2022 to the Shareholders whose names appear on the share register of the Company at the close of business on Monday, 6 June 2022.

BUSINESS REPORT
(1 April 2021 to 31 March 2022)

1. THE COMPANY AND ITS SUBSIDIARIES (THE “GROUP”)

(1) Progress of Business and Results

In the Japanese economy during the fiscal year under review, economic activities were severely restricted as emergency declarations and priority measures to prevent the spread of infectious diseases were intermittently issued in response to the spread of infectious diseases as the second year of the COVID-19 pandemic approached. In addition, the economic outlook remains challenging due to soaring energy prices caused by geopolitical risks and uncertainty in financial and capital markets.

The pachinko hall industry is striving to provide a safe and secure amusement environment for customers by engaging in business activities in line with the "Guidelines for Prevention of the Spread of COVID-19 Infections in Pachinko/Pachislot Hall Operations" established as an industry-wide initiative. On the other hand, the number of pachinko/pachislot halls and the number of machines installed in such halls are showing a downward trend, as more and more hall operators in the same industry are temporarily suspending their businesses or closing their businesses around the end of January 2022, the deadline for switching to new machines that comply with the revised amusement machine regulations.

In this environment, the Group has continued its efforts to maintain and improve profitability by thoroughly implementing low-cost operations at its halls and closing unprofitable halls, in light of the fact that operating revenues have not recovered to the level they were before the COVID-19 pandemic. We have also focused on maintaining employee's employment by utilizing government subsidies for employment adjustment and industrial job security. As for the number of halls at the end of the fiscal year under review, a freeze on new hall openings and the closure of 9 halls resulted in a total of 433 stores, of which 175 were high playing cost halls and 258 were low playing cost halls by business category.

As for the aircraft leasing business, while managing leasing assets of three aircraft, the Group concluded contracts for the acquisition of three new aircraft during the current fiscal year. The Group will continue to aim for expansion of high-quality leasing assets that will bring long-term and stable earnings.

As a result of the above, non-consolidated operation results of the Company for the fiscal year under review showed net sales of ¥3,987 million (down 27.5% from the previous year), ordinary income of ¥3,087 million (down 32.2% from the previous year), and net income of ¥3,077 million (down 32.3% from the previous year) due to a decrease in dividend income from subsidiaries.

As for consolidated operation results of the Company for the same fiscal year ^(Note), operating revenue was ¥105,141 million (up 6.6% from the previous year), operating income was ¥10,654 million (up 58.4% from the previous year) and net profit attributable to owners of the parent was ¥4,997 million (up 111.7% from the previous year).

(Note) The figures of the consolidated operation results are from the consolidated financial statements that have been prepared pursuant to the International Financial Reporting Standards which we voluntarily disclose for information purposes and are not audited by the accounting auditor.

(2) Financing

1) *Financing of the Company*

Not applicable.

2) *Financing of the Group*

During the fiscal year under review, the Company took out loans from financial institutions, etc. to maintain liquidity on hand in order to meet the demand for funds for the purchase of amusement machines. In addition, the Company is focusing on improving management security by expanding its credit line and taking other measures.

As a result of the above, as at the end of the fiscal year under review, the amount of cash and deposits was ¥56,508 million, a decrease of ¥18,153 million from the previous year; and the amount of interest-bearing debt increased by ¥9,174 million to ¥43,141 million.

Please note that the Group is making an effort to streamline funds through the introduction of Cash Management System (CMS) that allows the central management of funds for each subsidiary of the Group.

(Note) The figures of the financing of the Group are from the consolidated financial statements that have been prepared pursuant to the International Financial Reporting Standards which we voluntarily disclose for information purposes and are not audited by the accounting auditor.

(3) Capital Expenditure

1) *Capital Expenditure of the Company*

Not applicable.

2) *Capital Expenditure of the Group*

Capital expenditures of the Group for the fiscal year under review totaled ¥2.669 billion, mainly for the acquisition of buildings, structures, and store facilities in connection with the opening of new pachinko halls in the pachinko hall business.

(Note) The figures of the capital expenditure of the Group are from the consolidated financial statements that have been prepared pursuant to the International Financial Reporting Standards which we voluntarily disclose for information purposes and are not audited by the accounting auditor.

(4) Management Issues

1) *Pursuing low-cost management*

The Group is promoting the introduction of halls specializing in low playing cost machines, since operating revenues and profits are lower for low playing cost machines compared to the existing machines. Therefore, technologies and know-how to achieve low-cost management are required. The Group will strive to achieve low-cost management by standardizing halls to allow efficient purchases of building materials, strengthening our product provision capabilities (product quality), thoroughly implementing the standardization and simplification of processes through on-site on the job training, reviewing the headquarters and supervisory organizations that serve to support halls, and streamlining through the deployment of the proper number of personnel.

2) *Strengthening internal control*

The Group has established the Group Internal Control Committee, made the internal control systems of the Group based on the “Basic Policy for Internal Control” decided by the Board, checked and improved the systems according to the change of laws and regulations. The Group has in place the Group risk management committee, grasp the intrinsic risk of the whole Group comprehensively and resolve issues related to the risk management.

3) *Measures against COVID-19*

The negative effects of COVID-19 have been prolonging. How to restore sales income is an issue for the management to deal with. While we expect that COVID-19 will be brought under control through the promotion of additional vaccinations and the practical application of effective therapeutic drugs, the Group will continue to take measures to establish the business structure where the Group is able to secure a profit even with a level of revenue lower than before.

(5) Trends in Property and Gains (Losses)

1) *Trends in Property and Gains (Losses) of the Company:*

| Classification | 8th Fiscal Year | 9th Fiscal Year | 10th Fiscal Year | 11th Fiscal Year |
|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|
| | Fiscal Year ended 31 March 2019 | Fiscal Year ended 31 March 2020 | Fiscal Year ended 31 March 2021 | Fiscal Year ended 31 March 2022 |
| Net sales (Millions of yen) | 9,991 | 9,976 | 5,502 | 3,987 |
| Operating income (Millions of yen) | 8,997 | 8,799 | 4,556 | 3,087 |
| Net income (Millions of yen) | 8,889 | 8,788 | 4,548 | 3,077 |
| Earnings per Share (Yen) | 11.61 | 11.47 | 5.98 | 4.17 |
| Total assets (Millions of yen) | 110,130 | 109,420 | 117,105 | 95,138 |
| Total net assets (Millions of yen) | 93,908 | 93,505 | 92,047 | 88,688 |
| Net assets per Share (Yen) | 122.60 | 122.07 | 122.29 | 122.69 |

2) *Trends in Property and Gains (Losses) of the Group:*

| Classification | International Financial Reporting Standard ("IFRS") | | | |
|--|---|---------------------------------|---------------------------------|---------------------------------|
| | 8th Consolidated Fiscal Year | 9th Consolidated Fiscal Year | 10th Consolidated Fiscal Year | 11th Consolidated Fiscal Year |
| | Fiscal Year ended 31 March 2019 | Fiscal Year ended 31 March 2020 | Fiscal Year ended 31 March 2021 | Fiscal Year ended 31 March 2022 |
| Revenue (Millions of yen) | 146,371 | 142,483 | 98,602 | 105,141 |
| Operating profit (Millions of yen) | 19,342 | 21,514 | 6,728 | 10,654 |
| Net profit attributable to owners of the Company (Millions of yen) | 12,596 | 12,748 | 2,363 | 4,997 |
| Basic earnings per Share (Yen) | 16.44 | 16.64 | 3.10 | 6.77 |
| Total assets (Millions of yen) | 185,332 | 277,239 | 301,073 | 293,421 |
| Equity attributable to owners of the Company (Millions of yen) | 141,821 | 134,753 | 132,005 | 131,037 |
| Equity attributable to owners of the Company per Share (Yen) | 185.15 | 175.92 | 175.38 | 181.35 |

(Notes)

The above figures were from the consolidated financial statements that have been prepared pursuant to the IFRS which we voluntarily disclose for information purposes and are not audited by the accounting auditor.

(6) Important Parent Company and Subsidiaries

1) *Status of parent company:*

Not applicable.

2) *Important subsidiaries*

(As of 31 March 2022)

| Name of Company | Capital Stock | Ratio of Voting Rights | Principal Business Description |
|----------------------------------|-----------------|------------------------|--|
| DYNAM Co., Ltd. | ¥5,000 million | 100% | Operation of pachinko halls |
| Yume Corporation Co., Ltd. | ¥50 million | 100% | Operation of pachinko halls |
| Cabin Plaza Co., Ltd. | ¥10 million | 100% | Operation of pachinko halls |
| DYNAM Business Support Co., Ltd. | ¥1,020 million | 100% | Property Management and Hall Development |
| Nihon Humap Co., Ltd. | ¥100 million | 100% | Restaurant and Cleaning Services |
| Dynam Hong Kong Co., Limited | HK\$0.8 billion | 100% | Investment businesses in Asian regions |
| Dynam Aviation Ireland Limited | US\$1 million | 100% | Aircraft Lease |

3) *Matters of Specified Wholly-Owned Subsidiary*

(As of 31 March 2022)

| Name | Address | Total Book Value | Total Assets |
|-----------------|--|------------------|-----------------|
| DYNAM Co., Ltd. | 2-27-5 Nishi-Nippori, Arakawa-ku, Tokyo | ¥49,701 million | ¥95,138 million |

(7) **Principal Business Description**

The Company, as a pure holding company, coordinates the management of the entire Group.

The principal businesses of the Group are as follows.

(As of 31 March 2022)

| Business Segment | Principal Business Description |
|---------------------------|---|
| Pachinko Hall | Operation of pachinko halls |
| Real Estate Development | Real estate management and development of halls |
| Restaurant Business | Operation of restaurants adjacent to pachinko halls |
| Cleaning Business | Cleaning services in pachinko halls |
| Investment Business | Investment in businesses in Asian regions |
| Aircraft Leasing Business | Aircraft Lease |

(8) **Principal Business Premises**

1) *The Company*

(As of 31 March 2022)

| | |
|--|---|
| Head Office | 2-25-1-702 Nishi-Nippori, Arakawa-ku, Tokyo, Japan |
| Principal place of business in Hong Kong | Unit 1, 32/F, Hong Kong Plaza, 188 Connaught Road West, Hong Kong |

2) *Principal Subsidiaries*

(As of 31 March 2022)

| | | |
|----------------------------------|--|---|
| DYNAM Co., Ltd. | Head Office | 2-27-5 Nishi-Nippori, Arakawa-ku, Tokyo, Japan |
| | Pachinko Halls Distribution Centers | 396 halls in 46 prefectures in Japan 16 locations in 16 prefectures in Japan |
| Yume Corporation Co., Ltd. | Head Office | 195-1 Funahara-cho, Toyohashi, Aichi, Japan |
| | Pachinko Halls | 30 halls in 19 prefectures in Japan |
| Cabin Plaza Co., Ltd. | Head Office | 6-5-8 Kanamachi, Katsushika-ku, Tokyo, Japan |
| | Pachinko Halls | 7 halls in 4 prefectures in Japan |
| DYNAM Business Support Co., Ltd. | Head Office | 5-15-7 Nishi-Nippori, Arakawa-ku, Tokyo, Japan |
| Nihon Humap Co., Ltd. | Head Office | 5-15-7 Nishi-Nippori, Arakawa-ku, Tokyo, Japan |
| | Restaurants | 370 restaurants in 45 prefectures in Japan |
| Dynam Hong Kong Co., Limited | Head Office | Unit 1, 32/F, Hong Kong Plaza, 188 Connaught Road West, Hong Kong |
| Dynam Aviation Ireland Limited | Head Office | 32 Molesworth Street, Dublin 2, D02Y512, Ireland |

(9) Status of Employees

1) Number of employees in the Company

(As of 31 March 2022)

| Number of Employees | Changes from the End of the Previous Fiscal Year |
|---------------------|--|
| 46 | -4 |

(Notes)

1. The above number refers to the number of employees at work in the Company. Apart from the above, the Company employed 4 temporary employees (average number of employees).
2. Number of employees includes secondees from subsidiaries to the Company, and excludes secondees from the Company to subsidiaries.

2) Number of employees in the Group

(As of 31 March 2022)

| Number of Employees | Changes from the End of the Previous Fiscal Year |
|---------------------|--|
| 4,641 | -588 |

(Note) The above number refers to the number of employees at work in the Group. Apart from the above number, there are 8,779 temporary employees (average number of employees).

(10) Lenders

Not applicable.

(11) Other Significant Matters Related to the Corporate Group

Please refer to “(4) Management Issues, 3) Measures against COVID-19” stated above.

2. MATTERS RELATED TO THE SHARES IN THE COMPANY (As of 31 March 2022)

- (1) Total Number of Shares Authorized for Issue: 2,520,000,000 Shares
- (2) Total Number of Issued Shares: 722,862,896 Shares (which includes 297,400 treasury Shares)
- (3) Number of Shareholders: 161 Shareholders
- (4) Major Shareholders:

| Major Shareholders | Investment in the Company | |
|--|---|------------------------|
| | Number of Shares Held (Thousands of Shares) | Shareholding Ratio (%) |
| Sato Aviation Capital Limited | 177,822 | 24.61 |
| HKSCC Nominees Limited | 146,528 | 20.28 |
| Rich-O Co., Ltd. | 95,810 | 13.26 |
| Eurasia Foundation (from Asia) | 80,000 | 11.07 |
| Kohei SATO | 53,639 | 7.42 |
| Shigehiro SATO | 40,975 | 5.67 |
| N. Company Co., Ltd. | 20,517 | 2.84 |
| Yaeko NISHIWAKI | 20,379 | 2.82 |
| Masahiro SATO | 19,579 | 2.71 |
| DYNAM JAPAN HOLDINGS Employee Stock Ownership Plan | 17,903 | 2.48 |

(Notes)

1. Shareholding ratio is calculated excluding treasury Shares (297,400 Shares).
2. Number of Shares held is stated based on the number of Shares beneficially held by the relevant shareholder.
3. HKSCC Nominees Limited is a wholly-owned subsidiary of Hong Kong Exchanges and Clearing Limited, and the nominee shareholder of the Company's shares listed on the Stock Exchange that are deposited in the account of the CCASS.

(5) Other Important Matters Related to Shares:

1) *Share Repurchase*

In order to implement flexible capital policy to cope with change of management environment and improve capital efficiency, the Company resolved to grant the general mandate to repurchase Shares at the annual general meetings held on 24 June 2020 and on 24 June 2021. The details of the share repurchases based on such resolutions are as follows:

| Date of board resolution | Share repurchase period | Number of Shares repurchased |
|--------------------------|---|------------------------------|
| 28 July 2020 | From 7 June 2021 to 23 June 2021 | 2,590,600 |
| 24 June 2021 | From 25 June 2021 to 30 March 2022 ^(*) | 27,545,200 |
| Total | | 30,135,800 |

* The period from 25 October 2021 to 24 November 2021 during which a director must not deal in any securities of the listed issuer under the Listing Rules is excluded.

2) *Cancellation of Repurchased Shares*

During the financial year under review, the Company cancelled the repurchased shares pursuant to Article 178 of the Companies Act and Article 9, Paragraph 2 of the articles of incorporation of the Company (the "Articles" or "AOI"). The details of the Share cancellation are as follows:

| Date of board resolution or Executive Officer's decision | Date of Share cancellation | Number of Shares cancelled |
|--|----------------------------|----------------------------|
| 30 July 2021 | 30 July 2021 | 7,169,200 |
| 31 August 2021 | 31 August 2021 | 8,403,400 |
| 30 September 2021 | 30 September 2021 | 5,622,800 |
| 31 January 2022 | 31 January 2022 | 2,469,600 |
| 28 February 2022 | 28 February 2022 | 1,262,400 |
| 31 March 2022 | 31 March 2022 | 4,911,000 |
| Total | | 29,838,400 ^(*) |

* The remaining 297,400 repurchased Shares were cancelled on 28 April 2022.

3. **STOCK ACQUISITION RIGHTS**

Not applicable.

4. COMPANY OFFICERS

(1) Directors and Executive Officers

(As of 31 March 2022)

| Name | Position and Area of Responsibilities in the Company | Responsibilities and Other Significant Concurrent Offices Held |
|-------------------------|--|--|
| Mr. Makoto SAKAMOTO | Executive Director, Chairman of the Board, President, Chief Executive Officer, Member of Nomination Committee and Member of Remuneration Committee | Director of DYNAM Co., Ltd. |
| Mr. Yoji SATO | Non-executive Director and Senior Corporate Advisor | Director of Dynam Hong Kong Co., Limited and Representative Director of Eurasia Foundation (from Asia) |
| Mr. Kohei SATO | Non-executive Director and Corporate Advisor | |
| Mr. Akira HOSAKA | Non-executive Director | Representative Director and President of DYNAM Co., Ltd. |
| Mr. Mitsutoshi KATO | Independent Non-executive Director, Chairman of Nomination Committee and Chairman of Remuneration Committee | |
| Mr. Thomas Chun Kee YIP | Independent Non-executive Director and Member of Audit Committee | Practicing Director (Hong Kong Certified Public Accountant) of AIP Partners C.P.A. Limited |
| Mr. Kei MURAYAMA | Independent Non-executive Director, Member of Nomination Committee and Member of Remuneration Committee | |
| Mr. Kiyohito KANDA | Independent Non-executive Director and Chairman of Audit Committee | Tax Accountant |
| Mr. Koji KATO | Independent Non-executive Director and Member of Audit Committee | Attorney-at-law |
| Mr. Yoshiyuki MIZUTANI | Executive Officer | Managing Director of DYNAM Co., Ltd. |
| Mr. Hisao KATSUTA | Executive Officer | Director of Dynam Hong Kong Co., Limited |

| Name | Position and Area of Responsibilities in the Company | Responsibilities and Other Significant Concurrent Offices Held |
|-------------------|---|---|
| Mr. Seiji OBE | Executive Officer | Director and CEO of Dynam Hong Kong Co., Limited and Director of Dynam Aviation Ireland Limited |
| Mr. Kimiharu SATO | Executive Officer | Director of DYNAM Co., Ltd. |

(Notes)

1. Messrs. Mitsutoshi KATO, Thomas Chun Kee YIP, Kei MURAYAMA, Kiyohito KANDA and Koji KATO are Outside Directors as prescribed under Article 2, Item 15 of the Companies Act and independent non-executive Directors pursuant to the Listing Rules.
2. Mr. Kiyohito KANDA, the chairman of the Audit Committee, is a tax accountant and has adequate knowledge and insight in finance and accounting.
3. Mr. Thomas Chun Kee YIP, a member of the Audit Committee, a Hong Kong Certified Public Accountant, is currently serving as tax advisor in Hong Kong. He has adequate knowledge and insight in finance and accounting.
4. Mr. Koji KATO, a member of the Audit Committee, is an attorney-at-law. Having served as outside company auditor in other companies, he has adequate knowledge and insight in finance and accounting.
5. The Company has assigned to the Audit Committee Office a full-time audit assistant for supporting the duties of the Audit Committee, and so has not selected a full-time member of the Audit Committee.

(2) Remuneration Committee's Policies for Determining Remuneration for Directors and Executive Officers, and its Description

At the Remuneration Committee meeting, a resolution was passed to revise the method of payment of executive remunerations and bonuses as follows.

1) *The principle applicable to the remuneration for Directors and Executive Officers*

Remuneration level for each of the Directors and Executive Officers shall be individually determined at an amount commensurate with the role expected, as well as the responsibility required in each position, in view of the standard at the industry peers as well as private businesses of equivalent scale in the similar sectors.

2) *Remuneration for Directors*

Remuneration for Directors shall be comprised of fixed remuneration and performance-related bonus to Company Officers.

A fixed remuneration shall be set based on the remuneration rank which is decided considering the rank and role, and the classification of whether the Director is full-time or part-time in the Group.

Bonus shall be determined by the level of performance of the Company.

Director's remuneration shall not be payable to a Director concurrently serving as an Executive Officer.

3) *Remuneration for Executive Officers*

Remuneration for Executive Officers consists of fixed remuneration and performance-related bonus and a fixed remuneration shall be set based on each Executive Officer's rank and role and a bonus shall be determined by the level of performance of the Company.

(3) **Total Amount of Remuneration for Directors and Executive Officers**

(From 1 April 2021 to 31 March 2022)

| Classification | Number of Officers | Total amount of paid remuneration |
|--|---------------------------|--|
| Directors (of which, Outside Directors) | 8 ^(※) (5) | ¥83 million (¥34 million) |
| Executive Officers | 5 | ¥101 million |

(Notes)

1. Amounts are rounded off to the nearest million yen.
 2. No other form of remuneration other than money is paid as the remuneration for Directors and Executive Officers.
- (※) As of the end of the fiscal year under review, there are nine (9) Directors (including five (5) Outside Directors and one (1) Executive Director concurrently serving as Executive Officer) and four (4) Executive Officers. Please note that the remuneration for Director shall not be paid to a Director concurrently serving as an Executive Officer.

(4) **Outline of the contracts for limitation of liability**

Not applicable.

(5) **Directors' and Officers' Liability Insurance**

The Company has concluded a directors' and officers' liability insurance policy with an insurance company as stipulated in Article 430-3, Paragraph 1 of the Companies Act, which provides for compensation for damages and litigation costs to be borne by the insured.

The insured under the policy are Directors and Executive Officers of the Company, as well as directors, corporate auditors, corporate officers, and important employees of certain subsidiaries of the Company, and the premiums are borne by the Company and its subsidiaries. In addition, as a measure to ensure the appropriateness of the execution of duties by the insured, the insurance does not cover damages resulting from violations of laws and regulations.

(6) **Matters Regarding Outside Directors**

1) *Significant concurrent offices which the Outside Directors hold at other companies*

Concurrent services of Directors and Executive Officers are stated in "(1) Directors and Executive Officers" under item 4 headed "COMPANY OFFICERS". Other entities in which Directors and Executive Officers serve concurrently have no business relations with the Company.

2) *Relationship with the specified related business operators including primarily main trade connections*

Not applicable.

3) *Outline of activities in the fiscal year under review*

Summary of Outside Directors' attendance, statements made, and duties performed with respect to their expected roles as Outside Directors

| Name of Outside Directors | Outline of Activities |
|----------------------------------|---|
| Mr. Mitsutoshi KATO | Mr. Kato attended all of 13 Board meetings, 4 Nomination Committee meetings and 4 Remuneration Committee meetings held in the fiscal year under review, and based on his extensive experience and broad insight in the financial industry and corporate management, he provided advice on management and appropriate supervision of business execution from an objective and professional perspective. He also led the deliberation of proposals at the Nomination Committee and Remuneration Committee meetings as the chairman of each committee. |
| Mr. Thomas Chun Kee YIP | Mr. Yip attended all of 13 Board meetings and 15 Audit Committee meetings held in the fiscal year under review, and based on his extensive experience and broad insight as a certified public accountant in Hong Kong, he provided advice on management and appropriate supervision of business execution from an objective and professional perspective. |
| Mr. Kei MURAYAMA | Mr. Murayama attended all of 13 Board meetings, 4 Nomination Committee meetings and 4 Remuneration Committee meetings held in the fiscal year under review, and based on his extensive experience and broad insight as a specialist in human resources and labor affairs in the distribution industry, he provided advice on management and appropriate supervision of business execution from an objective and professional perspective. |
| Mr. Kiyohito KANDA | Mr. Kanda attended all of 13 Board meetings and 15 Audit Committee meetings held in the fiscal year under review, and based on his extensive experience and broad insight as a certified tax accountant, he provided advice on management and appropriate supervision of business execution from an objective and professional perspective. He also chaired the Audit Committee and led the deliberation of proposals. |
| Mr. Koji KATO | Mr. Kato attended all of 13 Board meetings and 15 Audit Committee meetings under review, and based on his extensive experience and broad insight as an attorney-at-law, he provided advice on management and appropriate supervision of business execution from an objective and professional perspective. |

5. ACCOUNTING AUDITOR

(1) Name of Accounting Auditor

PricewaterhouseCoopers Aarata LLC

(2) Amount of Remuneration of Accounting Auditor for the Fiscal Year under Review

¥73 million

(Note) Amount is rounded off to the nearest million yen.

(3) Reason Audit Committee Consented to Remuneration of Accounting Auditor

The Audit Committee reviewed and considered the Accounting Auditor's team formation, audit plan, implementation status, establishment of quality control system and quotation of remuneration based on "Practical Guidelines for Alliance with Accounting Auditor". As a result, the Audit Committee consented to the remuneration of the Accounting Auditor as specified in Article 399, Paragraph 1 of the Companies Act.

(4) Outline of the Contracts for Limitation of Liability

Not applicable.

(5) Policy on Determination of Removal or Disapproval of Re-appointment

If the Accounting Auditor is deemed to fall under any item of Article 340, Paragraph 1 of the Companies Act, the Audit Committee will remove the Accounting Auditor by consent of all of the Audit Committee members. In that case, the Audit Committee members elected by the Board shall report the dismissal of the Accounting Auditor and the reason therefor at the first General Meeting of Shareholders convened after the dismissal.

Apart from the above, the Audit Committee will review re-appointment or non-re-appointment of the Accounting Auditor each year, in consideration of the quality of audit and the effectiveness and efficiency of audit implementation by the Accounting Auditor.

6. FRAMEWORKS AND POLICIES OF THE COMPANY

(1) Frameworks for Ensuring Proper Execution of Business Operations

At the Board meeting, a resolution was passed on the basic policy of internal control as per the following:

1) *Framework for Data Storage and Management Relating to Execution of Duties by Executive Officers*

Executive Officers shall follow laws and rules in respect of document management, while maintaining and controlling information concerning the execution of their duties.

Executive Officers shall establish and maintain a system which, in response to the request by the Directors, the Audit Committee, or the Accounting Auditor, can disclose the information concerning the execution of their duties.

2) *Rules for Risk of Loss Management and Other Similar Frameworks*

Executive Officers shall establish the Group Risk Management Committee and maintain rules concerning risk management.

The Group Risk Management Committee shall summarize risk information exhaustively and develop risk analysis and countermeasure thereof.

Executive Officers shall, in response to unforeseen circumstances, set up an emergency headquarters to minimize the magnitude of losses.

3) *Framework for Ensuring the Efficient Execution of Duties by Executive Officers*

The Company shall hold the Board meeting monthly, as well as an urgent meeting as necessary, to ensure the efficient execution of duties by Executive Officers while maintaining the internal rules to define the responsibility and authority of Executive Officers and deliberation procedure at meeting structure for ensuring the efficient framework of business execution and Executive Officers' responsibility.

4) *Framework for Ensuring Execution of Duties by Executive Officers and Employees are in Compliance with Laws and Regulations and Articles*

The Company shall conform to the following matters to run the business according to the corporate philosophy in addition to the compliance with laws and regulations and Articles.

- (i) The Company shall establish "DYNAM JAPAN HOLDINGS Group Charter of Corporate Behavior" for executives and employees to comply with laws and regulations and the Articles.
- (ii) The Company shall keep executives and employees of the Group informed thoroughly of the "DYNAM JAPAN HOLDINGS Group Charter of Corporate Behavior".
- (iii) The Company shall countermeasure any issues concerning compliance based on "DYNAM JAPAN HOLDINGS Group Charter of Corporate Behavior".
- (iv) Executive Officers shall establish a whistle-blowing system for the Group to enhance effectiveness of the compliance framework.

5) *Framework for Ensuring Proper Execution of Business Operations in Corporate Group Consisting of the Company and Subsidiaries*

The Company shall promote following activities to comply with laws and regulations for the transactions between subsidiaries and proper business execution of the subsidiaries.

- (i) The Company shall, through regularly held Management Strategy Conference and Business Briefing Sessions, grasp the action plans of subsidiaries which received correction instruction from the Company to conduct proper management guidance and control, in addition to the deliberation for the report of business and financial condition and other essential information. Meanwhile, the Company keeps identifying business risks that can be envisaged, and takes necessary risk management measures.
- (ii) Executive Officers shall establish the Group Internal Control Committee and the Group Risk Management Committee to develop and operate a system necessary to manage risks of loss.
- (iii) The Board lays out the primary Group management policies, while approving the business plans/budgets to ensure their prompt business execution.

In the course of their business execution, Executive Officers shall make business decisions according to due internal procedures based on the Board of Directors' Rules, Rules for Executive Officers' Business Execution and other rules concerning the responsibility and authority of Executive Officers, while supporting the duties of subsidiaries such as finance, accounting, personnel affairs and judicial affairs depending on their circumstances.

- (iv) Executive Officers shall keep executives and employees of the Group informed thoroughly of the “DYNAM JAPAN HOLDINGS Group Charter of Corporate Behavior”, relevant laws and regulations and rules and regulations of each Group company.

Executive Officers shall ensure the credibility of financial reports by examining the financial statements which may affect reliability thereof significantly.

Executive Officers shall strive for early detection of, and timely response to the violation of laws and regulations within the Group, by utilizing an attitude survey of employees over compliance and an intra-Group whistle blowing system. In response to any issue on a practice of whistle blowing system, Executive Officers shall request an improvement thereof.

The Company shall thoroughly stay away from the anti-social force or organizations that threaten the order and security of civil society, flatly reject any demand from them, and have no transactions whatsoever with the businesses, bodies and individuals related to them. Meanwhile, the whole Group shall address them in a resolute attitude, and coordinate with the external parties professionally addressing them including the police and our legal advisors.

6) *Matters Related to Directors and Employees Who Are to Assist the Duties of the Audit Committee*

Executive Officers shall establish the Audit Committee Support Office consisting of employees who are to assist the duties of the Audit Committee.

7) *Matters Related to the Employees' Independence from Executive Officers in the Preceding Item*

Executive Officers shall set out internal procedures regarding employees who are to assist the duties of the Audit Committee, which must formulate and operate the provisions necessary to ensure independence of the employees who are appointed to work at the Audit Committee Support Office, in terms of their execution of duty and personnel matters.

8) *Framework for Ensuring the Effective Instruction to Directors and Employees Who Are to Assist the Duties of the Audit Committee*

Executive Officers shall establish a system in which employees may execute their duties based on the instruction of the Audit Committee or the designated member of the Audit Committee, and Executive Officers shall not appoint any employee who is concurrently served other duties.

9) *Framework for Reporting by Executive Officers and Employees to the Audit Committee and Framework for Other Types of Reporting to the Audit Committee*

The Company is committed to the following measures for Executive Officers and employees to regularly report on the status of execution of such Executive Officers' duties and material matters for ensuring that audits are efficiently conducted by the Audit Committee.

- (i) An Executive Officer or a person designated by such Executive Officer shall make regular reports on the status of execution of such Executive Officer's or such employee's duties to the Audit Committee.
- (ii) Directors (except for those who are members of the Audit Committee), Executive Officers and employees and executives and employees of its subsidiaries shall report on the status of such Executive Officers' and executives' duties to the Audit Committee upon the request by the Audit Committee.
- (iii) Directors (except for those who are members of Audit Committee), Executive Officers and employees and executives and employees of its subsidiaries shall be able to report to the Audit Committee in case they find matters that may significantly and adversely affect the Company and its subsidiaries and facts in violation of material laws and regulation and the Articles.
- (iv) A section of the Group in charge of its whistle blowing system shall regularly report on the status of the Group's whistle blowing activities to the Audit Committee.
- (v) Executive Officers shall not treat adversely the Group's executives and employees who have made a report to the Audit Committee for the reason that they have made such report to the Audit Committee.

10) *Matters Related to Policies Pertaining to Process such as Prepayment of Expenses Resulting from Execution of the Audit Committee's Duties*

In the event the Audit Committee requests the Company to make the prepayment of expenses, etc. under the Companies Act, the Company may not refuse to do so and shall promptly account for expenses and debts unless there is a special circumstance where expenses or debts pertaining to such request are deemed unnecessary for the execution of the Audit Committee's duties.

11) *Other Frameworks for Ensuring that the Audit Committee Effectively Executes Audits*

An Executive Officer shall provide a member of the Audit Committee designated by the Audit Committee with opportunities to attend conference bodies presided over by such Executive Officer.

The responsible person of the Group's audit section shall discuss the internal audit plan with the Audit Committee and report on the results of audits on the Group's affairs and audits on improvement and operation of internal control to the Audit Committee.

(2) Summary of Operational Status of the Above Frameworks

The summary of operational status of the above frameworks during the fiscal year under review is as shown below.

1) *Compliance*

The Company has established "DYNAM JAPAN HOLDINGS Group Charter of Corporate Behavior" consisting of corporate philosophy and management policies. The Group continuously provides education to all officers and employees for ensuring each of them will understand thoroughly and act in accordance with this Behavior. In particular, in the fiscal year under review, the focus was put on the "training for protection of personal information" and the "training for harassment prevention" to improve working environment.

The Company is operating an internal whistle blowing system for earlier discovery of organizational or individual compliance violations such as violations of laws and regulations and violations, etc. in the course of business. Further, as the countermeasure for excluding the anti-social force, the Company has been conducting screening surveys on suppliers and has agreed with new suppliers not to have any relationship with the anti-social force. In this manner, the Company has taken necessary actions to block any relationship with the anti-social force.

2) *Risk Management*

The Company has established the Group Risk Management Committee to build a risk management system for the entire Group and the Group has been discussing analysis of risks impeding business activities and urgent countermeasure for the occurrence of cases and accidents. As a continuing measure from the previous fiscal year, the Company has made efforts to prevent the expansion of COVID-19 and continuously examined the countermeasures against natural disasters and infectious diseases in the future.

3) *Management of Subsidiaries*

The Company has received reports on the management situation, financial condition and any other significant matters from subsidiaries and conducted proper management guidance to them in monthly Business Briefing Sessions and other meetings. Further, the Company has conducted the audit of subsidiaries for checking the status of compliance with laws and regulations, the execution status of their duties and so on. Through such audit, the Company has confirmed each Group company's issues and problems earlier and made the improvement plan on such issues thereby having secured the appropriateness of business operations and improved the business efficiency.

(3) Basic Policies for the Control of the Company

Not applicable.

(4) Policies for Determining Dividends from Surplus

Performance-related distribution of profit to Shareholders is one of the priority agendas of the Company, and its basic policy is to pay dividends from surplus not less than 35% of the consolidated net profit calculated according to IFRS.

In terms of dividends from surplus, the interim dividend of ¥2.40 per Share was paid out in accordance with the resolution at the Board meeting held on 24 November 2021. At the Board meeting held on 25 May 2022, it was resolved to pay ¥2.60 per Share as final dividend.

DYNAM JAPAN HOLDINGS Co., Ltd.
Non-consolidated financial statements

BALANCE SHEET
(As of 31 March 2022)

| | (Millions of yen) |
|---------------------------------------|-------------------|
| (Assets) | |
| Current assets | 18,498 |
| Cash and deposits | 17,192 |
| Short-term loans receivable | 350 |
| Income taxes receivable | 670 |
| Others | 285 |
| Non-current assets | 76,639 |
| Property, plant and equipment | 316 |
| Buildings | 116 |
| Tools and equipment | 0 |
| Land | 200 |
| Intangible assets | 0 |
| Trademarks | 0 |
| Software | 0 |
| Investments and other assets | 76,321 |
| Stocks of subsidiaries and affiliates | 76,027 |
| Others | 294 |
| Total assets | <u>95,138</u> |

DYNAM JAPAN HOLDINGS Co., Ltd.
Non-consolidated financial statements

(Millions of yen)

| (Liabilities) | |
|---|-------------|
| Current liabilities | 6,416 |
| Accounts payable | 47 |
| Income taxes payables | 32 |
| Deposits received | 6,267 |
| Provision for Directors' bonuses | 14 |
| Others | 53 |
| | <hr/> |
| Non-current liabilities | 33 |
| Long-term accounts payable | 18 |
| Deferred tax liabilities | 15 |
| | <hr/> |
| Total liabilities | 6,449 |
| | <hr/> |
| (Net assets) | |
| Shareholders' equity | 88,688 |
| Capital stock | 15,000 |
| Capital surplus | 53,518 |
| Legal capital surplus | 12,909 |
| Other capital surplus | 40,609 |
| Retained earnings | 20,204 |
| Other retained earnings | 20,204 |
| Retained earnings brought forward | 20,204 |
| Treasury shares | (33) |
| | <hr/> |
| Total net assets | 88,688 |
| | <hr/> |
| Total liabilities and net assets | 95,138 |
| | <hr/> <hr/> |

DYNAM JAPAN HOLDINGS CO., Ltd.
Non-consolidated financial statements

STATEMENT OF PROFIT OR LOSS
(From 1 April 2021 to 31 March 2022)

(Millions of yen)

| | | |
|--|-----------|---------------------|
| Net sales | | <u>3,987</u> |
| Gross profit | | 3,987 |
| Selling, general and administrative expenses | | <u>1,135</u> |
| Operating income | | <u>2,851</u> |
| Non-operating income | | |
| Interest income | 78 | |
| Foreign exchange gains | 155 | |
| Others | <u>17</u> | <u>251</u> |
| Non-operating expense | | |
| Others | <u>16</u> | <u>16</u> |
| Ordinary income | | 3,087 |
| Income before income taxes | | <u>3,087</u> |
| Income taxes — current | 3 | |
| Income taxes — deferred | <u>6</u> | <u>10</u> |
| Net income | | <u><u>3,077</u></u> |

DYNAM JAPAN HOLDINGS CO., Ltd.
Non-consolidated financial statements

STATEMENT OF CHANGES IN NET ASSETS
(From 1 April 2021 to 31 March 2022)

(Millions of yen)

| | Shareholders' equity | | | | | |
|--|----------------------|-----------------------|-----------------------|-----------------------|--|-------------------------|
| | Capital stock | Capital surplus | | | Retained earnings | |
| | | Legal capital surplus | Other capital surplus | Total capital surplus | -Other retained earnings -Retained earnings brought forward | Total retained earnings |
| Balance as of 1 April 2021 | 15,000 | 12,909 | 43,750 | 56,659 | 20,388 | 20,388 |
| Changes during the current fiscal year | | | | | | |
| 2021/2022 dividend | - | - | - | - | (3,261) | (3,261) |
| Profit for the year | - | - | - | - | 3,077 | 3,077 |
| Acquisition of treasury shares | - | - | - | - | - | - |
| Cancellation of treasury shares | - | - | (3,141) | (3,141) | - | - |
| Total changes during the current fiscal year | - | - | (3,141) | (3,141) | (183) | (183) |
| Balance as of 31 March 2022 | 15,000 | 12,909 | 40,609 | 53,518 | 20,204 | 20,204 |

| | Shareholders' equity | | Total net assets |
|--|----------------------|----------------------------|------------------|
| | Treasury shares | Total shareholders' equity | |
| Balance as of 1 April 2021 | - | 92,047 | 92,047 |
| Changes during the current fiscal year | | | |
| 2021/2022 dividend | - | (3,261) | (3,261) |
| Profit for the year | - | 3,077 | 3,077 |
| Acquisition of treasury shares | (3,175) | (3,175) | (3,175) |
| Cancellation of treasury shares | 3,141 | - | - |
| Total changes during the current fiscal year | (33) | (3,358) | (3,358) |
| Balance as of 31 March 2022 | (33) | 88,688 | 88,688 |

NOTES TO NON-CONSOLIDATED FINANCIAL STATEMENTS

1. SIGNIFICANT ACCOUNTING POLICIES

1) Valuation method of significant assets

Valuation method of securities

Stocks of subsidiaries and affiliates: Stocks of subsidiaries and affiliates are stated at cost less impairment, determined by the moving average method.

Available-for-sale securities:

Securities, etc. other than securities, etc. without market value: Securities, etc. other than securities, etc. without market value are stated at the quoted market prices. Differences between market value and acquisition costs are reported as "Unrealised gains or losses on available-for-sale securities" a separate component of net assets. The cost of securities sold is determined using the moving average basis.

Securities, etc. without market value: Securities, etc. without market value are stated at cost less impairment, determined using the moving average basis.

2) Depreciation method of depreciable assets

Property, plant, and equipment: Depreciation of property, plant and equipment is calculated on the declining-balance method, while the straight-line method is applied to buildings (excluding leasehold improvements) and leasehold improvements acquired after 1 April 2016.

Intangible assets: Amortisation of intangible assets is calculated on the straight-line method. Software used for internal purposes is amortised on the straight-line method over its estimated useful life (5 years).

3) Recognition and measurement of significant provisions and allowances

Provision for Directors' bonuses

Provision for Directors' bonuses is made for the estimated amounts to be paid during the fiscal year under review.

4) Recognition of significant revenue and expense

The Company recognises revenue in accordance with the following 5 steps.

Step1: Identify a contract with a customer

Step2: Identify the performance obligation in the contract

Step3: Determine the transaction price

Step4: Allocate the transaction price to the performance obligation in the contract

Step5: Recognise revenue when (or as) the entity satisfies the performance obligation

The Company renders management consulting service to our subsidiaries as customers. In regards to each contract for the consulting service, the Company identifies the performance obligation to render the consulting service on management, planning and etc. to our subsidiaries. Since the performance obligation is satisfied as time passes, the Company recognises revenue over the contract term.

5) Translations of foreign currency receivables and payables

Foreign currency receivables and payables are translated at the exchange rates at the end of each reporting period. Gains and losses resulting from this translation are recognised in profit or loss.

6) Other significant accounting policies for financial statements

Cash Management System (CMS)

As a result of utilisation of Cash Management System (CMS) for the purpose of promoting efficient use of the Group funds, the Company has “short-term loans receivable” of ¥350 million due from the Group companies and “deposits received” of ¥6,262 million due to the Group companies.

2. CHANGES IN ACCOUNTING POLICIES

1) The Company has adopted the “Accounting standard for Revenue Recognition” (ASBJ Statement No. 29, 31 March 2020, “Revenue Recognition Accounting Standard”) etc. since the beginning of this fiscal year and recognised the amount to be received in exchange for goods or services as revenue when “control” of the promised goods or services is transferred to the customers.

In regards to this adoption of Revenue Recognition Accounting Standard, though the Company has applied the transitional treatment stipulated in Paragraph 84 of Revenue Recognition Accounting Standard, there is no impact on the beginning balance of retained earnings. Furthermore, there is no impact on profit and loss during this fiscal year.

2) The Company has adopted the “Accounting Standard for Fair Value Measurement” (ASBJ Statement No. 30, 4 July 2019, “Fair Value Measurement Accounting Standard”) etc. since the beginning of this fiscal year. In addition, the Company will adopt the Fair Value Measurement Accounting Standard from this fiscal year onward in accordance with the transitional treatment stipulated in Paragraph 44-2 of the “Accounting Standard for Financial Instruments” (ASBJ Statement No. 10, 4 July 2019). There is no impact on financial statements due to this adoption.

3. NOTES TO BALANCE SHEET

1) Accumulated depreciation

| | |
|--------------------------------|-------------------------|
| Property, plant, and equipment | (Millions of yen) 68 |
|--------------------------------|-------------------------|

2) Financial guarantees

Financial guarantees for the debts owed to subsidiaries from financial institutions are as follows:

| | |
|----------------------------------|-------------------|
| | (Millions of yen) |
| DYNAM Co., Ltd. | 10,000 |
| Dynam Business Support Co., Ltd. | 12,000 |
| Yume Corporation Co., Ltd., | 6,875 |
| Total | <u>28,875</u> |

3) Assets due from and liabilities due to subsidiaries and affiliates

| | |
|------------------------|-------------------|
| | (Millions of yen) |
| Short-term receivables | 426 |
| Short-term payables | 6,296 |

4. NOTES TO STATEMENT OF PROFIT OR LOSS

1) Transactions with subsidiaries and affiliates

(Millions of yen)

| | |
|--|-------|
| Business transactions | |
| Net sales | 3,987 |
| Selling, general and administrative expenses | 135 |
| Other transactions | 79 |

5. NOTES TO STATEMENT OF CHANGES IN NET ASSETS

1) Total number of issued Shares as at the end of the fiscal year

| | |
|-----------------|--------------------|
| Ordinary Shares | 722,862,896 Shares |
|-----------------|--------------------|

2) Total number of treasury Shares as at the end of the fiscal year

| | |
|-----------------|----------------|
| Ordinary Shares | 297,400 Shares |
|-----------------|----------------|

3) Dividend from surplus during the fiscal year

| Resolution | Class of Share | Dividend amount (Millions of yen) | Dividend amount per Share (yen) | Record date | Effective date |
|-----------------------------------|----------------|--------------------------------------|---------------------------------------|------------------|-----------------|
| Board meeting on 26 May 2021 | Ordinary Share | 1,505 | 2.00 | 7 June 2021 | 25 June 2021 |
| Board meeting on 24 November 2021 | Ordinary Share | 1,756 | 2.40 | 13 December 2021 | 12 January 2022 |

4) Dividend from surplus of which record date and effective date come in the subsequent fiscal year

| Resolution | Class of Share | Dividend amount (Millions of yen) | Fund of Dividend | Dividend amount per Share (yen) | Record date | Effective date |
|------------------------------|----------------|--------------------------------------|-------------------|---------------------------------------|-------------|----------------|
| Board meeting on 25 May 2022 | Ordinary Share | 1,878 | Retained earnings | 2.60 | 6 June 2022 | 24 June 2022 |

The amount of proposed final dividend for the year ended 31 March 2022 is based on 722,565,496 Shares in issue as at 25 May 2022 when the financial statements were approved by the Board.

If the Company owns any treasury shares as at 6 June 2022, the dividend record date, the amount of proposed final dividend represents the number of shares in issue, which excludes the number of treasury shares owned by the Company as of the date, multiplied by the amount of dividend per share.

6. NOTES TO INCOME TAXES

1) Deferred tax assets

| | |
|---------------------------------------|-------------------|
| | (Millions of yen) |
| Deferred tax assets | |
| Stocks of subsidiaries and affiliates | 2,465 |
| Unused tax loss | 938 |
| Others | 266 |
| | <hr/> |
| Subtotal | 3,670 |
| Valuation allowance | (3,670) |
| | <hr/> |
| Total | - |
| | <hr/> |

2) Deferred tax liabilities

| | |
|--------------------------|-------------------|
| | (Millions of yen) |
| Deferred tax liabilities | |
| Foreign exchange gains | 15 |
| | <hr/> |
| Total | 15 |
| | <hr/> |

7. Financial Instruments

1) Information on financial instruments

(1) Policy for financial instruments

The Company invests temporary surplus cash in safe financial instruments which carry little risk such as bank deposits and raises funds necessary for its operations through the most effective measures. In addition, the Company has policies to utilise derivatives only for hedging purposes and does not conduct any speculative transactions.

(2) Financial instruments, related risks and risk management

The loans receivables are due from subsidiaries and are exposed to credit risk in relation to relevant subsidiaries.

In accordance with credit management policies, the Company monitors the maturity date, the balance and the collection of loans receivable for each subsidiary to recognise early and minimise the uncertainty of collection arising from any degradation of the subsidiary's financial status.

The Company's maturity date generally ranges from 2 to 3 months for accounts payables, income taxes payables and deposits received.

2) Matters related to Fair Values, etc. of Financial Instruments

The details of cash and deposits, short-term loans receivables, income taxes receivables, accounts payables, income tax payables and deposits received as at the end of the fiscal year are omitted as they are quickly settled and their fair values are close to their book values.

Securities, etc. without market value (stocks of subsidiaries and affiliates on the balance sheet: ¥76,027 million) are not measured at fair value.

8. NOTES TO RELATED PARTY TRANSACTIONS

Transactions with subsidiaries

(Millions of yen)

| Type | Company Name | Ownership | Relationship | | Transaction | Amounts | Account name | Balance |
|--------------|----------------------------------|--------------------|------------------------|-----------------------|------------------------------------|---------|-----------------------------|---------|
| | | | Interlocking directors | Business relationship | | | | |
| Subsidiaries | DYNAM Co., Ltd. | Directly held 100% | Present | Business Management | Funds in trust (Note 2) | — | Deposits received | 3,415 |
| | | | | | Interest expense (Note 2) | 0 | — | — |
| | | | | | Financial guarantees (Note 4) | 10,000 | — | — |
| | | | | | Management consulting fee (Note 3) | 618 | — | — |
| | | | | | Dividend income | 3,092 | — | — |
| | DYNAM Business Support Co., Ltd. | Directly held 100% | — | Business Management | Repayment of funds (Note 1) | 12,000 | — | — |
| | | | | | Interest income (Note 1) | 68 | — | — |
| | | | | | Funds in trust (Note 2) | — | Deposits received | 587 |
| | | | | | Interest expense (Note 2) | 0 | — | — |
| | | | | | Financial guarantees (Note 4) | 12,000 | — | — |
| | | | | | Management consulting fee (Note 3) | 12 | — | — |
| | | | | | Dividend income | 136 | — | — |
| | Cabin Plaza Co., Ltd. | Directly held 100% | — | Business Management | Funds in trust (Note 2) | — | Deposits received | 1,364 |
| | | | | | Interest expense (Note 2) | 0 | — | — |
| | | | | | Management consulting fee (Note 3) | 12 | — | — |
| | Nihon Humap Co., Ltd. | Directly held 100% | — | Business Management | Repayment of funds (Note 1) | 100 | Short-term loans receivable | 300 |
| | | | | | Interest income (Note 1) | 2 | Accrued income | 0 |
| | | | | | Funds in trust (Note 2) | — | Deposits received | 540 |
| | | | | | Interest expense (Note 2) | 0 | — | — |
| | | | | | Management consulting fee (Note 3) | 14 | — | — |
| | | | | | Dividend income | 52 | — | — |
| | Yume Corporation Co., Ltd. | Directly held 100% | — | Business Management | Repayment of funds (Note 1) | 1,600 | — | — |
| | | | | | Interest income (Note 1) | 5 | — | — |
| | | | | | Funds in trust (Note 2) | — | Deposits received | 6 |
| | | | | | Interest expense (Note 2) | 0 | — | — |
| | | | | | Financial guarantees (Note 4) | 6,875 | — | — |
| | | | | | Management consulting fee (Note 3) | 48 | — | — |

(Notes) Conditions of transactions and policy regarding determination of conditions of transactions

1. An interest rate on lending of funds is reasonably determined at the Board of Directors' meeting in consideration of the market interest rate.
2. The transaction amount of funds in trust is omitted since it is a short-term and recursive transaction. An interest rate thereon is reasonably determined at the Board of Directors' meeting in consideration of the market interest rate.
3. Management consulting fees are determined at the Board meeting based on the objective standard in consideration of basic management indicators and financial capacity of subsidiaries.
4. The Company guarantees for bank borrowing of DYNAM Co., Ltd., DYNAM Business Support Co., Ltd. and Yume Corporation Co., Ltd. The Company does not receive guarantee fees.

9. NOTES TO PER SHARE INFORMATION

| | |
|----------------------|--------|
| | (Yen) |
| Net assets per Share | 122.74 |
| Net income per Share | 4.17 |

10. NOTES TO REVENUE RECOGNITION

Basic information to comprehend revenue

Basic information to comprehend revenue is set out in "1. SIGNIFICANT ACCOUNTING POLICIES, 4) Recognition of significant revenue and expense".

11. NOTES TO SIGNIFICANT SUBSEQUENT EVENTS

Not applicable.

CERTIFIED COPY OF THE ACCOUNTING AUDITOR'S REPORT

Independent Auditor's Report (English Translation*)

25 May 2022

To the Board of Directors of
株式会社ダイナムジャパンホールディングス
DYNAM JAPAN HOLDINGS Co., Ltd.

PricewaterhouseCoopers Aarata LLC
Tokyo office

Naoyuki Suzuki, CPA
Designated limited liability Partner
Engagement Partner

Satoshi Murata, CPA
Designated limited liability Partner
Engagement Partner

Opinion

We have audited, pursuant to Article 436 (2) (i) of the Companies Act of Japan, the accompanying financial statements, which comprise the balance sheet, profit and loss statement, statement of changes in net assets and notes to the financial statements, and the supplementary schedules of DYNAM JAPAN HOLDINGS CO., Ltd. (hereinafter referred to as the "Company") for the 11th fiscal year from 1 April 2021 to 31 March 2022.

In our opinion, the financial statements and the supplementary schedules referred to above present fairly, in all material respects, the financial position and its financial performance for the period covered by the financial statements and the supplementary schedules in accordance with accounting principles generally accepted in Japan.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements and the Supplementary Schedules* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements and the supplementary schedules in Japan, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The other information comprises the business report and the supplementary schedules. Management is responsible for the preparation and disclosure of the other information. In addition, those charged with governance are responsible for overseeing the Company's reporting process of the other information. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of Management and the Audit Committee for the Financial Statements and the Supplementary Schedules

Management is responsible for the preparation and fair presentation of the financial statements and the supplementary schedules in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of the financial statements and the supplementary schedules that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements and the supplementary schedules, management is responsible for assessing the Company's ability to continue as a going concern and disclosing, as applicable, matters related to going concern in accordance with accounting principles generally accepted in Japan.

The Audit Committee are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements and the Supplementary Schedules

Our objectives are to obtain reasonable assurance about whether the financial statements and the supplementary schedules as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements and the supplementary schedules.

As part of an audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements and the supplementary schedules, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, while the purpose of the financial statement audit is not to express an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements and the supplementary schedules or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate whether the presentation and disclosures of the financial statements and the supplementary schedules are in accordance with accounting principles generally accepted in Japan, the overall presentation, structure and content of the financial statements and the supplementary schedules,

including the disclosures, and whether the financial statements and the supplementary schedules represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Interest required to be disclosed by the Certified Public Accountants Act of Japan

Our firm and its designated engagement partners do not have any interest in the Company which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

* Notes to the Readers of Independent Auditor's Report

This is an English translation of the Independent Auditor's Report as required by the Companies Act of Japan for the conveniences of the reader.

CERTIFIED COPY OF THE AUDIT COMMITTEE'S REPORT

(Translation)

AUDIT REPORT

The Audit Committee has conducted audits of the Directors and Executive Officers of the Company with regard to their performance of duties during the 11th fiscal year (1 April 2021 to 31 March 2022). A report covering the findings of the audit follows.

1. Method and Contents of Audit

The Company's Audit Committee monitored and examined the content of resolutions of the Board of Directors related to matters set forth in Article 416, Paragraph 1, Item 1 (b) and (e) of the Companies Act, as well as the structure and operational status of the Company's internal control system as set forth in the aforementioned resolutions. To this end, the Audit Committee received yearly reports from Directors, Executive Officers and employees regarding the content of the above resolutions, and where necessary, sought explanations and voiced opinions on these matters. Moreover, in accordance with its established policies and procedures and in collaboration with the divisions in charge of internal control, the Audit Committee attended important meetings, received reports on business activities from Directors and Executive Officers, sought explanations where necessary, and conducted appropriate surveys of the status of business operations and assets of the Company. The Audit Committee received business reports from subsidiaries as necessary, through communication and information sharing with the Directors and Corporate Auditors of the subsidiaries.

In addition, the Audit Committee monitored and verified whether the Accounting Auditors maintained its independence and properly conducted its audit, received a report from the Accounting Auditors on the status of their performance of duties, and requested explanations as necessary. The Audit Committee was notified by the Accounting Auditors that it had established a "system to ensure that the performance of the duties of the Accounting Auditors was properly conducted" (the matters listed in the items of Article 131 of the Ordinance on Company Accounting) in accordance with the "Quality Control Standards for Audits" (published by the Business Accounting Council on 28 October 2005), and requested explanations as necessary.

Based on the above-described methods, the Audit Committee examined the Business Report and the accompanying supplementary schedules, the Financial Statements (balance sheet, statement of profit or loss, statement of changes in net assets, and notes to financial statements) and the accompanying supplementary schedules for the fiscal year under review.

2. Results of Audit

(1) Results of Audit of Business Report, etc.

- (i) We acknowledge that the Business Report and the accompanying supplementary schedules fairly present the status of the Company in conformity with the applicable laws, regulations, and the Articles of Incorporation.

- (ii) We acknowledge that no misconduct or material fact constituting a violation of laws, regulations, or the Articles of Incorporation was found with respect to the Directors and Executive Officers' performance of their duties.
 - (iii) We acknowledge that the Board of Directors' resolutions with respect to the internal control systems are appropriate. We did not find any matter in the Business Report or the Directors and Executive Officers' performance of their duties concerning the internal control systems that require mentioning.
- (2) Results of Audit of the Financial Statements and the Accompanying Supplementary Schedules

We acknowledge that the methods and results of audit performed by the Accounting Auditor, PricewaterhouseCoopers Aarata LLC, are appropriate.

25 May 2022

Audit Committee of
DYNAM JAPAN HOLDINGS Co., Ltd.

| | |
|-----------------------------|----------------------------|
| Chairman of Audit Committee | Kiyohito Kanda (Seal) |
| Member of Audit Committee | Thomas Chun Kee Yip (Seal) |
| Member of Audit Committee | Koji Kato (Seal) |

(Note) Members of Audit Committee, Messrs. Kiyohito Kanda, Thomas Chun Kee Yip and Koji Kato are Outside Directors as prescribed under Article 2, Item 15 and Article 400, Paragraph 3 of the Companies Act.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(As of 31 March 2022)

(Millions of yen)

| Item | Amount |
|--|-----------------|
| | (Assets) |
| Non-current assets | |
| Property, plant and equipment | 118,648 |
| Right-of-use assets | 73,850 |
| Investment properties | 3,263 |
| Intangible assets | 3,440 |
| Financial assets measured at fair value through other comprehensive income | 2,255 |
| Lease receivables | 6,483 |
| Deferred tax assets | 10,964 |
| Other non-current assets | 7,031 |
| Total non-current assets | 225,934 |
| Current assets | |
| Inventories | 1,064 |
| Trade receivables | 332 |
| Lease receivables | 1,977 |
| Prizes in operation of pachinko halls | 2,921 |
| Income taxes receivable | 671 |
| Other current assets | 4,014 |
| Cash and cash equivalents | 56,508 |
| Total current assets | 67,487 |
| Total assets | 293,421 |

(Reference Materials)
DYNAM JAPAN HOLDINGS Co., Ltd.
Non-audited consolidated financial statements (IFRS)

(Millions of yen)

| Item | Amount |
|--|---------|
| (Liabilities) | |
| Current liabilities | |
| Trade and other payables | 12,312 |
| Borrowings | 12,945 |
| Lease payables | 11,245 |
| Provisions | 1,386 |
| Income taxes payables | 844 |
| Other current liabilities | 8,592 |
| | <hr/> |
| Total current liabilities | 47,324 |
| | <hr/> |
| Non-current liabilities | |
| Deferred tax liabilities | 116 |
| Borrowings | 30,196 |
| Lease payables | 78,017 |
| Other non-current liabilities | 1,170 |
| Provisions | 5,616 |
| | <hr/> |
| Total non-current liabilities | 115,115 |
| | <hr/> |
| Total liabilities | 162,439 |
| | <hr/> |
| (Equity) | |
| Share capital | 15,000 |
| Capital reserve | 8,152 |
| Treasury shares | (35) |
| Retained earnings | 108,840 |
| Other component of equity | (920) |
| | <hr/> |
| Equity attributable to owners of the Company | 131,037 |
| Non-controlling interests | (55) |
| | <hr/> |
| Total equity | 130,982 |
| | <hr/> |
| Total liabilities and equity | 293,421 |
| | <hr/> |

(Reference Materials)
DYNAM JAPAN HOLDINGS Co., Ltd.
Non-audited consolidated financial statements (IFRS)

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

(From 1 April 2021 to 31 March 2022)

| | (Millions of yen) |
|-------------------------------------|-------------------|
| Item | Amount |
| Revenue | 105,141 |
| Operating expenses | (94,911) |
| General and administrative expenses | (4,279) |
| Other income | 9,114 |
| Other expenses | (4,411) |
| Operating profit | 10,654 |
| Finance income | 426 |
| Finance expenses | (2,571) |
| Profit before income tax | 8,509 |
| Income taxes | (3,532) |
| Net profit for the year | 4,977 |
| Net profit attributable to: | |
| Owners of the Company | 4,997 |
| Non-controlling interests | (20) |
| Net profit | 4,977 |

(Reference Materials)
DYNAM JAPAN HOLDINGS Co., Ltd.
Non-audited consolidated financial statements (IFRS)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(From 1 April 2021 to 31 March 2022)

(Millions of yen)

| | Attributable to equity holders of the Company | | | | | |
|---|---|-----------------|-----------------|-------------------|---|--------------------------------------|
| | Share Capital | Capital reserve | Treasury shares | Retained earnings | Other component of equity | |
| | | | | | Fair value of financial assets at FRVTOCI | Foreign currency translation reserve |
| At 1 April 2021 | 15,000 | 11,304 | - | 107,104 | (2,907) | 1,499 |
| Profit for the year | - | - | - | 4,997 | - | - |
| Other comprehensive income for the year | - | - | - | - | (1,647) | 2,130 |
| Total comprehensive income for the year | - | - | - | 4,997 | (1,647) | 2,130 |
| Acquisition of treasury shares | - | - | (3,187) | - | - | - |
| Cancellation of treasury shares | - | (3,152) | 3,152 | - | - | - |
| 2021/2022 dividend | - | - | - | (3,261) | - | - |
| Total changes in equity for the year | - | (3,152) | (35) | 1,736 | (1,647) | 2,130 |
| At 31 March 2022 | 15,000 | 8,152 | (35) | 108,840 | (4,554) | 3,629 |

| | Attributable to equity holders of the Company | | | Non-controlling interest | Total equity |
|---|---|---------|---------|--------------------------|--------------|
| | Other component of equity | | Total | | |
| | Other reserves | Total | | | |
| At 1 April 2021 | 5 | (1,403) | 132,005 | (33) | 131,972 |
| Profit for the year | - | - | 4,997 | (20) | 4,977 |
| Other comprehensive income for the year | - | 483 | 483 | (2) | 481 |
| Total comprehensive income for the year | - | 483 | 5,480 | (22) | 5,458 |
| Acquisition of treasury shares | - | - | (3,187) | - | (3,187) |
| Cancellation of treasury shares | - | - | - | - | - |
| 2021/2022 dividend | - | - | (3,261) | - | (3,261) |
| Total changes in equity for the year | - | 483 | (968) | (22) | (990) |
| At 31 March 2022 | 5 | (920) | 131,037 | (55) | 130,982 |

Other Matters

1) SCOPE OF CONSOLIDATION

Number of Consolidated Subsidiaries and Name of Main Consolidated Subsidiaries

| | |
|--|--|
| Number of Consolidated Subsidiaries | 18 |
| Name of Main Consolidated Subsidiaries | DYNAM Co., Ltd., Cabin Plaza Co., Ltd., Yume Corporation Co., Ltd., DYNAM Business Support Co., Ltd., Nihon Humap Co., Ltd., DYNAM Hong Kong Co., Ltd. and Dynam Aviation Ireland Limited. |

2) SUMMARY OF ACCOUNTING POLICIES

Basis of preparation of the consolidated financial statements

The Company presents the accompanying International Financial Reporting Standards ("IFRS") based consolidated financial statements for reference only, and this information does not comprise any contents of statutory disclosure under Companies Act of Japan.

The accompanying consolidated financial statements comprise consolidated statement of financial position, consolidated statement of profit or loss and consolidated statement of changes in equity for the fiscal year ended 31 March 2022 which are prepared in accordance with IFRS, and are not complete set of consolidated financial statements.

In addition, neither external audit nor review by independent auditors has been conducted.

The accompanying consolidated financial statements are stated in the Company's functional currency, Japanese Yen, and unless otherwise stated, all financial information is presented in million yen.

3) Adoption of new and revised international financial reporting standards

The following new standards and amendments have been issued and effective for annual periods beginning on 1 April 2021, with no material impact on the Group's results of operations and financial position:

- IFRS 16 (Amendment), 'Leases'
- IFRS 9 (Amendment), 'Financial Instruments'
- IAS 39 (Amendment), 'Financial Instruments: Recognition and Measurement'
- IFRS 7 (Amendment), 'Financial Instruments: Disclosures'
- IFRS 4 (Amendment), 'Insurance Contracts'

APPENDIX II

REFERENCE MATERIALS FOR THE 11TH ANNUAL GENERAL MEETING OF SHAREHOLDERS

1. First Resolution: Proposed Partial Amendments to the Articles of Incorporation (Special Resolution)

The Board proposed to make partial amendments to the AOI as below.

(1) Reason for Amendments

In accordance with the amended provisions stipulated in Article 1 of the Supplementary Provisions of the "Act for Partial Amendment of the Companies Act" (Act No. 70 of 2019) of Japan, which will come into effect on 1 September 2022, the Company will make the following necessary amendments to the AOI in order to introduce a system for the electronic provision of materials for shareholders' meetings.

(2) Details of Amendments

Details of the amendments are as shown below.

(The underlined sections show the parts to be amended.)

| Existing AOI | Proposed Amendment |
|---|---|
| CHAPTER 1 GENERAL PROVISIONS Article 1. (Trade Name) § (Description omitted) | CHAPTER 1 GENERAL PROVISIONS Article 1. (Trade Name) § (No change) |
| Article 20. (Persons Authorized to Convene Meetings; Chairman of Shareholders Meetings) | Article 20. (Persons Authorized to Convene Meetings; Chairman of Shareholders Meetings) |
| Article 21. (Notice to Shareholders) 1. <u>The Company shall be deemed to have provided its shareholders with information regarding relevant matters required to be described or presented in reference documents for shareholders meetings, business reports, financial statements and consolidated financial statements by posting them on its website in accordance with applicable laws and regulations.</u> (Addition) | Article 21. (Notice to Shareholders) 1. <u>When convening a shareholders' meeting, the Company shall take measures for the electronic provision of information contained in reference materials for shareholders' meetings, etc.</u> 2. <u>With respect to all or part of the matters for which measures for electronic</u> |

| Existing AOI | Proposed Amendment |
|--|---|
| <p>2. The directors' report, accompanied by the balance sheet (including every document required by law to be annexed thereto) and profit and loss account or income and expenditure account; or the summary financial report shall, at least 21 days before the date of each annual shareholders' meeting, be sent by post to the registered address of every registered shareholder in accordance with the Listing Rules.</p> <p>3. Notice of convocation of a shareholders' meeting shall be sent to each shareholder of the Company no later than 21 days prior to the date of such shareholders' meeting.</p> <p>4. In the case of the preceding paragraph, the Company shall give notice sufficient to enable members, whose registered addresses are in the place of the Stock Exchange, to exercise their rights or comply with the terms of the notice. The Company shall not be released from its obligation under the Companies Act or any other applicable laws and regulations to give notice to any shareholder for the reason that such shareholder's registered address is outside the place of the Stock Exchange.</p> <p>5. In cases where notices or demands from the Company do not reach a shareholder for five consecutive years</p> | <p><u>provision of information are to be taken as specified by the Ordinance of the Ministry of Justice, the Company (subject to compliance with the relevant requirements of the Stock Exchange) shall not be required to include such matters in the documents to be delivered to shareholders who have made a request for document delivery by the record date for voting rights.</u></p> <p>3. The directors' report, accompanied by the balance sheet (including every document required by law to be annexed thereto) and profit and loss account or income and expenditure account; or the summary financial report shall, at least 21 days before the date of each annual shareholders' meeting, be sent by post to the registered address of every registered shareholder in accordance with the Listing Rules.</p> <p>4. Notice of convocation of a shareholders' meeting shall be sent to each shareholder of the Company no later than 21 days prior to the date of such shareholders' meeting.</p> <p>5. In the case of the preceding paragraph, the Company shall give notice sufficient to enable members, whose registered addresses are in the place of the Stock Exchange, to exercise their rights or comply with the terms of the notice. The Company shall not be released from its obligation under the Companies Act or any other applicable laws and regulations to give notice to any shareholder for the reason that such shareholder's registered address is outside the place of the Stock Exchange.</p> <p>6. In cases where notices or demands from the Company do not reach a shareholder for five consecutive years</p> |

| Existing AOI | Proposed Amendment |
|--|--|
| <p>or more, the Company shall no longer be required to give notices or issue demands to such shareholder under the provisions of the Companies Act, provided that where a notice or demand from the Company is returned undelivered, the Company shall thereafter no longer be required to give notices or issue demands to such shareholder under the provisions of the Companies Act.</p> <p><u>6.</u> The requirement to send a shareholder any corporate communication (as defined under the Listing Rules), shall be satisfied where, in accordance with the Listing Rules, the Company publishes it on the Company's website or in any other permitted manner (including by any form of electronic communication), and that shareholder has agreed or is deemed to have agreed to treat the publication or receipt of such notice or document in such manner as discharging the Company's obligation to send him a copy of such notice or document, subject always to the right of any such shareholder to change his choice of communication under the Listing Rules.</p> | <p>or more, the Company shall no longer be required to give notices or issue demands to such shareholder under the provisions of the Companies Act, provided that where a notice or demand from the Company is returned undelivered, the Company shall thereafter no longer be required to give notices or issue demands to such shareholder under the provisions of the Companies Act.</p> <p><u>7.</u> The requirement to send a shareholder any corporate communication (as defined under the Listing Rules), shall be satisfied where, in accordance with the Listing Rules, the Company publishes it on the Company's website or in any other permitted manner (including by any form of electronic communication), and that shareholder has agreed or is deemed to have agreed to treat the publication or receipt of such notice or document in such manner as discharging the Company's obligation to send him a copy of such notice or document, subject always to the right of any such shareholder to change his choice of communication under the Listing Rules.</p> |
| <p>Article 22. (Method of Resolutions at Shareholders Meetings)</p> | <p>Article 22. (Method of Resolutions at Shareholders Meetings)</p> |
| <p style="text-align: center;">§ (Description omitted)</p> | <p style="text-align: center;">§ (No change)</p> |
| <p>Article 55. (Statute of Limitations for Dividends Paid out of Surplus)</p> | <p>Article 55. (Statute of Limitations for Dividends Paid out of Surplus)</p> |
| <p style="text-align: center;">(Addition)</p> | <p style="text-align: center;"><u>SUPPLEMENTARY PROVISIONS</u></p> <p><u>Article 1. (Transitional Measures concerning the Electronic Provision of</u></p> |

| Existing AOI | Proposed Amendment |
|--------------|---|
| | <p data-bbox="866 251 1404 321"><u>Information for Shareholders' Meetings)</u></p> <p data-bbox="866 363 1404 470">1. <u>The amendments to Article 21 of these Articles of Incorporation shall become effective as of 1 September 2022.</u></p> <p data-bbox="866 512 1404 766">2. <u>Notwithstanding the provision of the preceding paragraph, Article 21 of these Articles of Incorporation before the amendments shall remain in effect for any shareholders' meeting held on a date within six months from 1 September 2022.</u></p> |

2. Second Resolution: General Mandate to Allot, Issue and Deal in Shares (Ordinary Resolution)

“**THAT:** a general unconditional mandate be and is hereby granted to the Board authorizing it to exercise all the powers of the Company during the Relevant Period (as defined below) to, subject to the requirements under the Listing Rules and/or all applicable laws and regulations in Hong Kong and Japan from time to time, allot, issue and deal in Shares or securities convertible into Shares and to make an offer or agreement or grant an option which would or might require such Shares to be allotted and issued, whether during the continuance of such mandate or thereafter (other than pursuant to an offer made to the Shareholders pro-rata (apart from fractional entitlements) to their existing shareholding, or under any arrangement adopted for the grant or issue of stock acquisition rights), provided that the aggregate number of the Shares allotted or agreed conditionally or unconditionally to be allotted under such mandate shall not exceed 20% of the aggregate number of Shares issued by the Company as at the date of this resolution, such mandate to remain in effect during the Relevant Period (as defined below).

“Relevant Period” for the second resolution means the period from the passing of this resolution until the earliest of:

- (i) the conclusion of the next annual general meeting of the Company following the passing of this resolution;
- (ii) the expiration of a 12-month period following the passing of this resolution; or
- (iii) the date on which the authority set out in this resolution is revoked or varied by a special resolution at a general meeting.”

3. Third Resolution: General Mandate to Repurchase Shares (Ordinary Resolution)

“**THAT:** subject to and in accordance with all applicable laws and ordinances in Japan and Hong Kong and the requirements of the Listing Rules, a general unconditional mandate be and

is hereby given to the Board authorizing it to exercise all powers during the Relevant Period (as defined below) for and on behalf of the Company to repurchase Shares on the Stock Exchange. However, the aggregate number of the Shares that could be repurchased by the Company pursuant to the aforementioned mandate shall not exceed 10% of the aggregate number of Shares issued by the Company as at the date of passing of this resolution.

Please note that the aforementioned mandate shall be effective only during the Relevant Period (as defined below).

“Relevant Period” for the third resolution means the period from the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company unless the authority is renewed either unconditionally or subject to conditions by the passing of the ordinary resolution at the said meeting; or
- (ii) the passing of the ordinary resolution revoking, varying or renewing such mandate at a general meeting.”

(Notes)

- (1) Please refer to the attached document entitled “Explanatory Statement” in APPENDIX III for the summary of important provisions of the Listing Rules with respect to the repurchase of Shares.
- (2) The original of the attached document entitled “Explanatory Statement” in APPENDIX III was made in English and the enclosed Japanese version is just a translation thereof. In case of any discrepancies between the English original version and the Japanese translation, the English original version shall prevail.

4. Fourth Resolution: Proposed Election of Nine (9) Directors (Ordinary Resolution)

The term of office of all nine (9) current Directors will expire as of the end of this Meeting. Accordingly, the Company proposes that nine (9) Directors be elected based on the decisions by the Nomination Committee.

The details of Director candidates are as follows.

| Candidate Number | Name | Position and Area of Responsibilities in the Company |
|------------------|-------------------------|---|
| 1 | Mr. Makoto SAKAMOTO | Executive Director, Chairman of the Board, Re-appointment President, Chief Executive Officer, Member of Nomination Committee and Member of Remuneration Committee |
| 2 | Mr. Yoji SATO | Non-executive Director and Senior Corporate Re-appointment Advisor |
| 3 | Mr. Kohei SATO | Non-executive Director and Corporate Advisor Re-appointment |
| 4 | Mr. Akira HOSAKA | Non-executive Director Re-appointment |
| 5 | Mr. Mitsutoshi KATO | Independent Non-executive Director, Chairman of Re-appointment Nomination Committee and Chairman of Remuneration Outside Director Committee |
| 6 | Mr. Thomas Chun Kee YIP | Independent Non-executive Director and Member Re-appointment of Audit Committee Outside Director |

| | | | |
|---|--------------------|---|------------------------------------|
| 7 | Mr. Kei MURAYAMA | Independent Non-executive Director, Member of Nomination Committee and Member of Remuneration Committee | Re-appointment Outside Director |
| 8 | Mr. Kiyohito KANDA | Independent Non-executive Director and Chairman of Audit Committee | Re-appointment Outside Director |
| 9 | Mr. Koji KATO | Independent Non-executive Director and Member of Audit Committee | Re-appointment Outside Director |

Re-appointment Candidate for Director to be re-appointed

Outside Director Candidate for outside Director

Candidate number 1 | Makoto SAKAMOTO re-appointment

| Current Position and Responsibilities in the Company | Career Summary, Position, Responsibilities and Other Significant Concurrent Offices |
|---|---|
| Executive Director Chairman of the Board President Chief Executive Officer Member of Nomination Committee Member of Remuneration Committee | April 1980 September 2000 November 2002 May 2003 February 2004 September 2006 |
| Activities at Board and Committees Board 100% (13/13) Nomination Committee 100% (4/4) Remuneration Committee 100% (4/4) | Joined The Dai-ichi Kangaku Co., Ltd. Joined Big Boy Japan Co., Ltd. Joined Central Services System Co., Ltd. Joined Japan Sportsvision Co., Ltd. Joined DYNAM Co., Ltd. Corporate Executive Officer and Head of the Personnel Department of DYNAM Co., Ltd. |
| Number of Shares Beneficially Owned 22,000 | June 2011 June 2013 September 2013 April 2020 June 2020 June 2020 |
| Date of Birth 18 January 1957 | Director of DYNAM Co., Ltd. Managing Director of DYNAM Co., Ltd. Executive Officer of the Company President and Chief Executive Officer of the Company Director of DYNAM Co., Ltd. (present) Executive Director, Chairman of the Board, President and Chief Executive Officer of the Company (present) |

Candidate number 2 | Yoji SATO re-appointment

| Current Position and Responsibilities in the Company | Career Summary, Position, Responsibilities and Other Significant Concurrent Offices |
|---|---|
| Non-executive Director Senior Corporate Advisor | January 1970 September 1978 June 2000 April 2003 |
| Activities at Board and Committees Board 100% (13/13) | Joined Sawa Shoji Co., Ltd. (now called DYNAM Co., Ltd.) President and Representative Director of Sawa Shoji Co., Ltd. Chairman and Representative Director of DYNAM Co., Ltd. President and Representative Director of Dynam Investment Co., Ltd. (now called Nihon Humap Co., Ltd.) |
| Number of Shares Beneficially Owned 0 | March 2007 December 2009 |
| Date of Birth 24 September 1945 | Director, President and CEO of DYNAM Holdings Co., Ltd. Representative Chairman of One Asia Foundation (now called Eurasia Foundation (from Asia)) (present) September 2011 January 2013 June 2013 June 2015 June 2015 June 2016 |
| | Executive Director, President and CEO of the Company Director and CEO of Dynam Hong Kong Co., Limited Executive Director and Chairman of the Board of the Company Director of Dynam Hong Kong Co., Limited (present) Executive Director and Senior Corporate Advisor of the Company Non-executive Director and Senior Corporate Advisor of the Company (present) |

Candidate number 3 | Kohei SATO re-appointment

| Current Position and Responsibilities in the Company | Career Summary, Position, Responsibilities and Other Significant Concurrent Offices |
|---|---|
| Non-executive Director Corporate Advisor | March 1983 |
| Activities at Board and Committees Board 100% (13/13) | Joined Takeda Riken Industry Co., Ltd. (now called Advantest Corporation) (NYSE:ATE) |
| Number of Shares Beneficially Owned 53,639,680 | June 1985 June 1995 June 1998 June 2000 January 2013 June 2013 June 2014 June 2015 June 2015 June 2015 |
| Date of Birth 26 November 1954 | Joined Kodak Co., Ltd. (NYSE:EK) Joined DYNAM Co., Ltd. Director of DYNAM Co., Ltd. President and Representative Director of DYNAM Co., Ltd. CEO of the Company President and CEO of the Company Executive Director, President and CEO of the Company Chairman of the Board of DYNAM Co., Ltd. Director and CEO of Dynam Hong Kong Co., Limited Executive Director, Chairman of the Board, CEO and President of the Company Non-executive Director and Corporate Advisor of the Company (present) |

Candidate number 4 | Akira HOSAKA re-appointment

| Current Position and Responsibilities in the Company | Career Summary, Position, Responsibilities and Other Significant Concurrent Offices | |
|--|---|--|
| Non-executive Director | April 1995 | Joined DYNAM Co., Ltd. |
| Activities at Board and Committees | March 2008 | Zone Manager of Niigata zone of DYNAM Co., Ltd. |
| Board 100% (13/13) | May 2016 | Head of Corporate Management Department of DYNAM Co., Ltd. |
| Number of Shares Beneficially Owned | June 2017 | Director of DYNAM Co., Ltd. |
| 78,121 | June 2020 | Representative Director and President of DYNAM Co., Ltd. (present) |
| Date of Birth | June 2020 | Non-executive Director of the Company (present) |
| 6 October 1972 | | |

Candidate number 5 | Mitsutoshi KATO re-appointment

| Current Position and Responsibilities in the Company | Career Summary, Position, Responsibilities and Other Significant Concurrent Offices | |
|--|---|--|
| Independent Non-executive Director | April 1982 | Joined The Bank of Tokyo, Ltd. (currently MUFG Bank, Ltd.) |
| Chairman of Nomination Committee | April 1988 | Seconded to Kincheng-Tokyo Finance Company Limited |
| Chairman of Remuneration Committee | March 1990 | Joined Banque Indosuez (currently Credit Agricole Corporate and Investment Bank) |
| Activities at Board and Committees | April 1991 | Vice President of Banque Indosuez, Tokyo Branch |
| Board 100% (13/13) | January 2005 | Statutory Auditor of ECO-MATERIAL CORPORATION |
| Nomination Committee 100% (4/4) | December 2006 | Director and CFO of ECO-MATERIAL CORPORATION |
| Remuneration Committee 100% (4/4) | February 2012 | Representative Director and CFO of ECO-MATERIAL CORPORATION |
| Number of Shares Beneficially Owned | February 2012 | Independent Non-executive Director of the Company (present) |
| 0 | | |
| Date of Birth | | |
| 20 March 1958 | | |

(Reasons for nomination as candidate for Outside Director)

Mr. Mitsutoshi KATO has extensive experience and knowledge in the financial industry and corporate management. He has been nominated as candidate for Outside Director in the expectation that he will utilize his experience and knowledge to make proposals from an objective viewpoint to management, provide accurate advice on overall business execution, and exercise his supervisory function from an independent standpoint. He is currently serving as Outside Director and will have served in that capacity for ten (10) years and three (3) months as of the conclusion of this Meeting.

Candidate number 6 | Thomas Chun Kee YIP re-appointment

| Current Position and Responsibilities in the Company | Career Summary, Position, Responsibilities and Other Significant Concurrent Offices | |
|--|---|---|
| Independent Non-executive Director | May 1984 | Joined Touche Ross & Co. Hong Kong |
| Member of Audit Committee | January 1986 | Joined Price Waterhouse, Sydney Office |
| Activities at Board and Committees | December 1988 | Price Waterhouse, Hong Kong Office |
| Board 100% (13/13) | July 1994 | Senior Audit Manager of Price Waterhouse |
| Audit Committee 100% (15/15) | January 2002 | Joined CCIF CPA Limited |
| Number of Shares Beneficially Owned | October 2003 | Practicing Director of CCIF CPA Ltd |
| 0 | March 2008 | Joined AIP Partners C.P.A. Limited, Practicing Director (present) |
| Date of Birth | February 2012 | Independent Non-executive Director of the Company (present) |
| 22 March 1961 | | |

(Reasons for nomination as candidate for Outside Director)

Mr. Thomas Chun Kee YIP has extensive experience and knowledge in taxation and accounting as a certified public accountant in Hong Kong. He has been nominated as candidate for Outside Director in the expectation that he will utilize his experience and knowledge to make proposals from an objective viewpoint to management, provide accurate advice on Hong Kong law and internal controls, and exercise his supervisory function from an independent standpoint. He is currently serving as Outside Director and will have served in that capacity for ten (10) years and three (3) months as of the conclusion of this Meeting.

Candidate number 7 | Kei MURAYAMA re-appointment

| Current Position and Responsibilities in the Company | Career Summary, Position, Responsibilities and Other Significant Concurrent Offices | |
|--|---|--|
| Independent Non-executive Director | April 1978 | Joined SWANY Corporation |
| Member of Nomination Committee | March 1986 | Joined Lawson Japan, Inc. (now called Lawson, Inc.) (TSE:2651) |
| Member of Remuneration Committee | March 1996 | Senior Manager for Labor Administration, Tokyo Head Office of Lawson, Inc. |
| Activities at Board and Committees | March 2007 | General Manager, Personnel and Training Division of Lawson, Inc. |
| Board 100% (13/13) | March 2009 | Corporate Executive Officer of Lawson, Inc. |
| Nomination Committee 100% (4/4) | March 2015 | Executive Adviser for Personnel Matters of Lawson, Inc. |
| Remuneration Committee 100% (4/4) | June 2015 | Independent Non-executive Director of the Company (present) |
| Number of Shares Beneficially Owned | July 2019 | Non-executive Adviser for Personnel Matters of Lawson, Inc. (present) |
| 0 | | |
| Date of Birth | | |
| 13 July 1954 | | |

(Reasons for nomination as candidate for Outside Director)

Mr. Kei MURAYAMA has long been engaged in the distribution industry and has abundant experience and knowledge in personnel and labor affairs. He has been nominated as candidate for Outside Director in the expectation that he will utilize his experience and knowledge to make proposals from an objective viewpoint to management, provide accurate advice on overall business execution, and exercise his supervisory function from

an independent standpoint. He is currently serving as Outside Director and will have served in that capacity for seven (7) years as of the conclusion of this Meeting.

Candidate number 8 | Kiyohito KANDA re-appointment

| Current Position and Responsibilities in the Company | Career Summary, Position, Responsibilities and Other Significant Concurrent Offices |
|--|---|
| Independent Non-executive Director | October 1991 Joined Yamaichi Securities Company, Limited |
| Chairman of Audit Committee | December 1993 Registered as Tax Accountant |
| Activities at Board and Committees | July 1995 Established Kanda Kiyohito Tax Accountant Office (present) |
| Board 100% (13/13) | May 1998 Instructor, Training Center of the Board of Audit of Japan (present) |
| Audit Committee 100% (15/15) | April 2011 Part-time teacher, Faculty of Business Administration, Meiji University |
| Number of Shares Beneficially Owned | June 2017 Independent Non-executive Director of the Company (present) |
| 0 | April 2019 Teacher, Local Autonomy College (present) |
| Date of Birth | |
| 7 October 1964 | |

(Reasons for nomination as candidate for Outside Director)

Mr. Kiyohito KANDA he has extensive experience and knowledge in taxation and accounting as a certified tax accountant. He has been nominated as candidate for Outside Director in the expectation that he will utilize his experience and knowledge to make proposals from an objective viewpoint to management, provide accurate advice on internal controls, and exercise his supervisory function from an independent standpoint. He is currently serving as Outside Director and will have served in that capacity for five (5) years as of the conclusion of this Meeting.

Candidate number 9 | Koji KATO re-appointment

| Current Position and Responsibilities in the Company | Career Summary, Position, Responsibilities and Other Significant Concurrent Offices |
|--|---|
| Independent Non-executive Director | April 1994 Registered as Attorney-at-Law; Joined Ishii Law Office |
| Member of Audit Committee | April 1997 Joined Okamura Law Office |
| Activities at Board and Committees | November 2001 Passed the bar of the State of New York |
| Board 100% (13/13) | May 2002 Joined Land of Lincoln Legal Foundation (State of Illinois) |
| Audit Committee 100% (15/15) | August 2002 Joined Steptoe & Johnson LLP (Washington D.C.) |
| Number of Shares Beneficially Owned | April 2004 Partner of Okamura Law Office (present) |
| 0 | June 2020 Independent Non-executive Director of the Company (present) |
| Date of Birth | |
| 17 January 1968 | |

(Reasons for nomination as candidate for Outside Director)

Mr. Koji KATO has abundant experience as an attorney and a high level of knowledge and insight regarding legal matters in general. He has been nominated as candidate for Outside Director in the expectation that he will be able to utilize his expertise to make proposals from an objective viewpoint to management, provide accurate advice on internal controls, and exercise his supervisory function from an independent standpoint. He is currently serving as Outside Director and will have served in that capacity for two (2) years as of the conclusion of this Meeting.

(Notes)

1. Save as the interest disclosed above, each candidate has no special interest in the Company.
2. Reasons for the appointment of Outside Directors

The Company is a "Company with Committees". A Company with Committees is an organizational framework in which the management supervision function and business execution function are clearly separated, so that both perform effectively. Under this framework, the Board specializes in management supervision, along with the 3 committees whose membership comprises a majority of the Outside Directors. These committees are the Nomination Committee, the Audit Committee and the Remuneration Committee, which were established to replace the conventional Auditors system to pursue enhanced management transparency, while Executive Officers are appointed as management personnel dedicated to perform the function of business execution. As is the case with a typical company with Committees in need of appointing a number of Outside Directors to operate the framework as described above, the Company proposes to elect five (5) Outside Directors with the aim of further strengthening the function of the Board.

3. Contracts for limitation of liability with Outside Directors

Not applicable.

4. Directors' and Officers' Liability Insurance

The Company has concluded a directors' and officers' liability insurance policy with an insurance company as stipulated in Article 430-3, Paragraph 1 of the Companies Act of Japan, which provides for compensation for statutory damages and litigation costs to be borne by the insured. When each candidate is elected and assumes office as a director, they will be included as an insured under the policy.

5. Fifth Resolution: Proposed Election of an Auditor pursuant to the Listing Rules (Ordinary Resolution)

PricewaterhouseCoopers Aarata LLC ("PwC Aarata"), the current Auditor of the Company pursuant to Rule 13.88 of the Listing Rules, will retire upon the expiration of its current term of office with effect from the conclusion of the Meeting. Accordingly, the election of a candidate is newly proposed. This resolution is based on the recommendation of the Audit Committee.

Details of a candidate are as follows:

(As of 31 March 2022)

| | | |
|------------------|--|---|
| Name | PricewaterhouseCoopers Aarata LLC | |
| Principal Office | 1-1-1 Otemachi, Chiyoda-ku, Tokyo, Japan | |
| History | June 2006: | Establishment of PwC Aarata |
| | July 2006: | Commencement of operations |
| | July 2015: | Changed the corporate name in Japanese from "Aarata Kansa Hojin" to "PwC Aarata Kansa Hojin" |
| | July 2016: | Converted to a limited liability audit corporation and changed the corporate name to "PwC Aarata Yugen Sekinin Kansa Hojin (PwC あらた有限責任監査法人)" (English name: PricewaterhouseCoopers Aarata LLC) |
| Capital | 1,000 million yen | |
| Staffing | Partners | 185 |
| | Certified Public Accountants ("CPAs") | 886 |
| | Assistant CPAs | 562 |
| | US CPAs and other professionals | 1,096 |
| | Clerks | 101 |
| | Total | 2,830 |

6. RECOMMENDATION

The Directors are of the opinion that the proposed partial amendments to the AOI, the general mandate to allot, issue and deal in Shares, the general mandate to repurchase Shares, the proposed election of the Director candidates and the proposed election of an Auditor pursuant to the Listing Rules as detailed in the sections above and Appendix III are in the best interests of the Company and the Shareholders as a whole. Accordingly, they recommend the Shareholders to vote in favour of the First, Second, Third, Fourth and Fifth Resolutions, as set out in the Notice.

APPENDIX III

EXPLANATORY STATEMENT

This is an explanatory statement given to all the shareholders (the “Shareholders”) of DYNAM JAPAN HOLDINGS Co., Ltd. (the “Company”) relating to a proposed ordinary resolution to grant to the directors of the Company (the “Directors”) a general mandate (the “Repurchase Mandate”) to repurchase the shares of the Company (the “Shares”) to be passed by the Shareholders at the 10th annual general meeting of the Company (the “AGM”) to be held on 23 June 2022.

This explanatory statement contains the information required to be given to all the Shareholders pursuant to Rule 10.06(1)(b) of the Rules Governing the Listing of Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) concerning the repurchase by the Company of its own Shares.

- (1) All repurchases of Shares by the Company must be approved in advance by an ordinary resolution of the general meeting of the Company either by way of a general mandate or by a specific approval to the Directors.
- (2) On the date of this document, 722,565,496 ordinary Shares are in issue and fully paid. Assuming there will be no changes from the date of this document to the date of the AGM in number of the Company's issued and fully paid Shares and subject to the passing of the said proposed ordinary resolution, exercise in full of the Repurchase Mandate would result in up to 72,256,549 ordinary Shares being repurchased by the Company during the period up to the earliest of: (i) the conclusion of the next annual general meeting of the Company; and (ii) the revocation or variation or renewal of the Repurchase Mandate by an ordinary resolution of the Shareholders in a general meeting of the Company.

Under the Listing Rules, Shares proposed to be repurchased by the Company must be fully paid up. The total number of Shares which the Company is authorized to repurchase shall not exceed ten percent (10%) of the total number of Shares issued by the Company as at the date of the AGM. The Company may not issue or announce an issue of new Shares for a period of 30 days immediately following a repurchase of Shares, whether on the Stock Exchange or otherwise (other than an issue of Shares pursuant to an exercise of warrants, share options or similar instruments requiring the Company to issue Shares which were outstanding prior to such repurchase), without the prior approval of the Stock Exchange. In addition, the Company shall not repurchase the Shares if the purchase price is higher by five percent (5%) or more than the average closing market price for the five preceding trading days on which the Shares were traded on the Stock Exchange. The Listing Rules also prohibit the Company from making repurchases of its own Shares on the Stock Exchange if the repurchase would result in the number of the Shares which are in the hands of the public falling below the relevant prescribed minimum percentage for the Company (as determined by the Stock Exchange at the time of the listing of the Shares), which is currently 20.9%, subject to the exercise of discretion by the Stock Exchange under Rule 8.08(1)(b) of the Listing Rules.

The Listing Rules further prohibit the Company from purchasing its own Shares on the Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange prevailing from time to time.

The Company shall procure that any broker appointed by it to effect the purchase of its Shares shall disclose to the Stock Exchange such information with respect to purchases made on behalf of the Company as the Stock Exchange may request.

- (3) The Directors believe that it is in the best interests of the Company and the Shareholders for the Directors to have a general authority from the Shareholders to enable the Company to repurchase Shares in the market. Repurchases of Shares will only be made when the Directors believe that such repurchases will benefit the Company and the Shareholders. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value of the Company and its assets and/or its earnings per Share. If the Directors believe that the Shares have been trading at a level which significantly undervalues the Company's underlying value, the grant of the Repurchase Mandate will authorize the Directors to exercise the Repurchase Mandate whenever necessary. Since the Directors are committed to actively managing the Company's capital, the Directors believe that the exercise of the Repurchase Mandate (whenever necessary) would create capital management benefits to the Shareholders. The Directors also believe that the Company's strong financial position will enable it to conduct the exercise of the Repurchase Mandate with its own resources while maintaining sufficient financial resources for the continued growth of the Company's operations.
- (4) In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with the articles of incorporation of the Company (the "Articles") and the applicable laws of Japan. Repurchases will be made out of funds of the Company legally permitted to be utilized in this connection.
- (5) The Directors, in their opinion, may from time to time when they consider to be appropriate for the Company, not propose to exercise the Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital or gearing position of the Company, which in the opinion of the Directors, are from time to time appropriate for the Company. However, there might be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited consolidated financial statements of the Company for the year ended 31 March 2022 contained in the published annual report of the Company) in the event that the Repurchase Mandate is exercised in full.
- (6) None of the Directors nor, to the best of their knowledge, having made all reasonable enquiries, any of their respective close associates (as defined in the Listing Rules), has any present intention, if the Repurchase Mandate is approved by the Shareholders, to sell any Shares to the Company or its subsidiaries.
- (7) The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the Repurchase Mandate in accordance with the Listing Rules, the applicable laws of Japan and the Articles.
- (8) If, as a result of a repurchase of Shares pursuant to the Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of the Hong Kong Code on Takeovers and Mergers issued by the Securities and Futures Commission (the "Takeovers Code"). Accordingly, a Shareholder, or a group of Shareholders acting in concert (within the meaning of the Takeovers Code), depending on the level of increase

in the Shareholders' interest, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code as a result of a repurchase of Shares.

As of the date of this document, to the best knowledge and belief of the Company, in the event that the Directors shall exercise in full the Repurchase Mandate, the total interests of the persons as recorded in the register required to be kept by the Company pursuant to section 336 of the Securities and Futures Ordinance of Hong Kong (Chapter 571 of the Laws of Hong Kong) would be increased, however, such increase will not give rise to an obligation to make a mandatory general offer under Rule 26 of the Takeovers Code and will not reduce the number of Shares held by the public to less than 20.9%.

Save as aforesaid, the Directors are not aware of any other consequences which may arise under the Takeovers Code as a consequence of any repurchases made pursuant to the Repurchase Mandate.

- (9) The Company conducted repurchase of Shares in the previous six months as below.

| Date | Number of Shares Repurchased | Price per Share (HK\$) | |
|------------|------------------------------------|------------------------|--------|
| | | Highest | Lowest |
| 15/12/2021 | 100,000 | 6.48 | 6.45 |
| 16/12/2021 | 16,800 | 6.53 | 6.53 |
| 17/12/2021 | 15,000 | 6.68 | 6.68 |
| 20/12/2021 | 375,600 | 6.75 | 6.74 |
| 21/12/2021 | 345,200 | 6.80 | 6.75 |
| 22/12/2021 | 142,600 | 6.85 | 6.85 |
| 28/12/2021 | 99,400 | 6.85 | 6.80 |
| 29/12/2021 | 61,400 | 6.86 | 6.70 |
| 30/12/2021 | 68,400 | 6.87 | 6.86 |
| 31/12/2021 | 18,000 | 6.88 | 6.88 |
| 3/1/2022 | 120,200 | 6.90 | 6.90 |
| 4/1/2022 | 54,400 | 6.92 | 6.92 |
| 5/1/2022 | 56,800 | 6.92 | 6.92 |
| 6/1/2022 | 143,800 | 6.94 | 6.94 |
| 7/1/2022 | 72,400 | 6.95 | 6.95 |
| 11/1/2022 | 118,000 | 6.95 | 6.93 |
| 13/1/2022 | 24,200 | 6.96 | 6.92 |
| 14/1/2022 | 73,000 | 6.97 | 6.91 |
| 18/1/2022 | 114,400 | 6.98 | 6.96 |
| 19/1/2022 | 90,600 | 6.98 | 6.96 |
| 20/1/2022 | 125,400 | 6.98 | 6.97 |
| 21/1/2022 | 142,400 | 6.99 | 6.98 |
| 24/1/2022 | 87,600 | 7.00 | 6.92 |
| 25/1/2022 | 126,000 | 7.00 | 6.96 |
| 26/1/2022 | 14,400 | 7.01 | 7.00 |
| 27/1/2022 | 233,800 | 7.02 | 6.96 |
| 28/1/2022 | 160,000 | 7.03 | 6.97 |
| 31/1/2022 | 124,200 | 7.04 | 6.99 |

| Date | Number of Shares Repurchased | Price per Share (HK\$) | |
|-----------|------------------------------------|------------------------|--------|
| | | Highest | Lowest |
| 4/2/2022 | 97,200 | 7.05 | 7.04 |
| 7/2/2022 | 70,000 | 7.06 | 7.03 |
| 8/2/2022 | 20,800 | 7.07 | 7.07 |
| 10/2/2022 | 51,600 | 7.08 | 7.03 |
| 14/2/2022 | 90,400 | 7.09 | 7.05 |
| 15/2/2022 | 80,400 | 7.10 | 7.10 |
| 16/2/2022 | 13,400 | 7.11 | 7.11 |
| 17/2/2022 | 37,600 | 7.12 | 7.12 |
| 18/2/2022 | 55,000 | 7.13 | 7.12 |
| 21/2/2022 | 30,800 | 7.14 | 7.14 |
| 22/2/2022 | 68,200 | 7.15 | 7.15 |
| 23/2/2022 | 10,000 | 7.16 | 7.16 |
| 24/2/2022 | 256,400 | 7.17 | 7.15 |
| 25/2/2022 | 152,400 | 7.18 | 7.16 |
| 28/2/2022 | 269,600 | 7.19 | 7.14 |
| 1/3/2022 | 166,200 | 7.20 | 7.17 |
| 2/3/2022 | 179,800 | 7.20 | 7.16 |
| 3/3/2022 | 150,600 | 7.20 | 7.14 |
| 4/3/2022 | 297,600 | 7.21 | 7.16 |
| 7/3/2022 | 396,400 | 7.21 | 7.09 |
| 8/3/2022 | 307,800 | 7.21 | 7.15 |
| 9/3/2022 | 382,400 | 7.22 | 7.18 |
| 10/3/2022 | 230,000 | 7.22 | 7.19 |
| 11/3/2022 | 246,400 | 7.22 | 7.21 |
| 14/3/2022 | 185,400 | 7.23 | 7.17 |
| 15/3/2022 | 600,000 | 7.23 | 7.04 |
| 16/3/2022 | 188,000 | 7.23 | 7.19 |
| 17/3/2022 | 212,800 | 7.24 | 7.18 |
| 18/3/2022 | 45,200 | 7.24 | 7.23 |
| 21/3/2022 | 75,400 | 7.24 | 7.20 |
| 22/3/2022 | 80,600 | 7.25 | 7.23 |
| 23/3/2022 | 199,000 | 7.25 | 7.23 |
| 24/3/2022 | 180,000 | 7.25 | 7.22 |
| 25/3/2022 | 184,000 | 7.26 | 7.20 |
| 28/3/2022 | 1,200 | 7.26 | 7.26 |
| 29/3/2022 | 70,400 | 7.27 | 7.27 |
| 30/3/2022 | 41,000 | 7.27 | 7.26 |

- (10) The Listing Rules prohibit the Company from knowingly repurchasing its Shares on the Stock Exchange from a core connected person (as defined under the Listing Rules), that is, a director, chief executive or substantial Shareholder of the Company or any of its subsidiaries or their respective close associates (as defined in the Listing Rules), and a core connected person (as defined under the Listing Rules) shall not knowingly sell Shares to the Company on the Stock Exchange.

No core connected person (as defined in the Listing Rules) of the Company has notified the Company that he or she or it has a present intention to sell any Shares to the Company, or has undertaken not to do so, if the Repurchase Mandate is exercised.

- (11) The highest and lowest prices at which the Shares have been traded on the Stock Exchange during each of the previous twelve months were as follows:

| | Price per Share (HK\$) | |
|---------------------------------------|------------------------|--------|
| | Highest | Lowest |
| 2021 | | |
| May | 7.21 | 6.60 |
| June | 7.30 | 6.86 |
| July | 7.57 | 7.09 |
| August | 7.71 | 7.05 |
| September | 8.20 | 7.13 |
| October | 7.67 | 7.03 |
| November | 7.55 | 6.76 |
| December | 7.14 | 6.21 |
| 2022 | | |
| January | 7.11 | 6.67 |
| February | 7.32 | 6.75 |
| March | 7.41 | 6.91 |
| April | 7.53 | 6.24 |
| May (up to 25 May 2022 [#]) | 6.90 | 6.49 |

[#] Being the latest practicable date prior to the printing of this convocation notice

General

The Listing Rules provide that the listing of all repurchased Shares (whether on the Stock Exchange or otherwise) shall be automatically cancelled upon repurchase and the certificates of such repurchased Shares must be cancelled and destroyed as soon as reasonably practicable following settlement of any such repurchase. Under the Articles, the Company shall without delay cancel any treasury Shares acquired by the Company through the resolution of the Board or decision of executive officer(s) of the Company authorized by the Board, if such cancellation is required under the Listing Rules. Hence, in compliance with Rule 10.06(5) of the Listing Rules, the listing of all repurchased Shares (whether effected on the Stock Exchange or otherwise) will be cancelled without undue delay and the certificates for those securities will be cancelled and destroyed. The issued share capital of the Company shall also be reduced accordingly.

The Listing Rules provide that the Company shall not purchase its Shares on the Stock Exchange at any time while in possession of inside information until the inside information has been made publicly available. In particular, during the period of one month immediately preceding the earlier of (i) the date of the Board meeting (as such date is first notified to the Stock Exchange in accordance with the Listing Rules) for the approval of the Company's results

for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules); and (ii) the deadline for an announcement of the Company's annual or interim results under the Listing Rules, or quarterly or any other interim period (whether or not required under the Listing Rules), and ending on the date of the results announcement, the Company may not purchase its Shares on the Stock Exchange unless the circumstances are exceptional. In addition, the Stock Exchange may prohibit the Company to purchase its Shares on the Stock Exchange if it has breached the Listing Rules.

Under the Listing Rules, certain information on the repurchases of Shares (whether on the Stock Exchange or otherwise) must be submitted for publication on the Stock Exchange through HKEx-EPs (as defined in the Listing Rules) not later than 30 minutes before the earlier of the commencement of the morning trading session or any pre-opening session on the business day following any day on which the Company makes a repurchase of Shares. In addition, the Company shall include in its annual report and accounts details regarding repurchases of Shares made during the financial year under review, including the number of Shares repurchased each month (whether on the Stock Exchange or otherwise), the purchase price per Share or the highest and lowest price paid by the Company for all such repurchases (where relevant) and the aggregate price paid by the Company for such repurchases. The Directors' report is also required to contain reference to the repurchases made during the year and the Directors' reasons for making such repurchases.

APPENDIX IV

SUPPLEMENTAL INFORMATION ON THE FOURTH RESOLUTION: Proposed Election of Nine (9) Directors (Ordinary Resolution)

ELECTION OF DIRECTORS

As stated in Part 4 of Appendix II, the following candidates (the “Candidates”) are recommended by the Nomination Committee of the Board to be, subject to Shareholders’ approval, elected as Directors:

Mr. Makoto SAKAMOTO
Mr. Yoji SATO
Mr. Kohei SATO
Mr. Akira HOSAKA
Mr. Mitsutoshi KATO
Mr. Thomas Chun Kee YIP
Mr. Kei MURAYAMA
Mr. Kiyohito KANDA
Mr. Koji KATO

The Board wishes to supply the following additional information relating to the Candidates pursuant to Rule 13.51(2) of the Listing Rules to enable the Shareholders to make an informed decision on the election. This additional information should be read in conjunction with those provided in Part 4 of Appendix II.

Length of service

The Candidates, if elected as Directors at the Meeting, will hold office with immediate effect until the close of the next annual general meeting of the Shareholders to be held in 2023. The length of service of the Candidates with the Company shall be one year.

Proposed remuneration

Pursuant to Rule 13.51(2)(g) of the Listing Rules, the proposed annual remuneration of the Candidates is set out below:

| | |
|-------------------------|-------------|
| Mr. Makoto SAKAMOTO | ¥29,724,000 |
| Mr. Yoji SATO | ¥6,300,000 |
| Mr. Kohei SATO | ¥12,000,000 |
| Mr. Akira HOSAKA | ¥29,724,000 |
| Mr. Mitsutoshi KATO | ¥7,200,000 |
| Mr. Thomas Chun Kee YIP | ¥6,000,000 |
| Mr. Kei MURAYAMA | ¥6,000,000 |
| Mr. Kiyohito KANDA | ¥7,200,000 |
| Mr. Koji KATO | ¥6,000,000 |

The proposed remuneration set out above is conditional upon the election of the Candidates as Directors at the Meeting.

Relationship with Directors, senior management, substantial Shareholders and/or controlling Shareholders

The Candidates have no financial, business, family or other material/relevant relationships with each other, except that each of Mr. Yoji SATO and Mr. Kohei SATO is a controlling Shareholder and these two persons are brothers. In addition, each of the Sato Family Members (as defined hereinafter) is a controlling Shareholder and a family member of Mr. Yoji SATO.

Interests in the Company and/or associated corporations of the Company

As at the date of the Notice, the interests and short positions of the Candidates of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the “SFO”)), which would have 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 have taken or deemed to have under such provisions of the SFO), or would be required, pursuant to section 352 of the SFO, to be entered in the register referred to there in, or would be required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”), are as follows:

(i) Interests in the Company

| Name of Candidate | Nature of Interest | Number of Shares of the Company⁽¹⁾ | Approximate Percentage of Interest in the Company⁽²⁾ |
|--------------------------|---|--|--|
| Mr. Yoji SATO | Interest in controlled corporation ⁽³⁾ | 273,632,560 | 61.559% |
| | Interest in spouse ⁽³⁾ | 760 | |
| | Other ⁽⁴⁾ | 171,171,800 | |
| | | <u>444,805,120</u> | |
| Mr. Kohei SATO | Beneficial owner ⁽⁵⁾ | 53,639,680 | 61.559% |
| | Interest in spouse ⁽⁵⁾ | 1,500,000 | |
| | Other ⁽⁴⁾ | 389,665,440 | |
| | | <u>444,805,120</u> | |
| Mr. Makoto SAKAMOTO | Beneficial owner | 22,000 | 0.003% |
| Mr. Akira HOSAKA | Beneficial owner | 78,121 | 0.011% |

Notes:

(1) All interests stated are long positions.

(2) There were 722,565,496 Shares in issue as at the date of this Notice.

(3) Out of the total 273,632,560 Shares, Sato Aviation Capital Limited (“SAC”), which is wholly-owned and controlled by Mr. Yoji SATO, is beneficially interested in 177,822,560 Shares. Rich-O Co., Ltd. (“Rich-O”) is beneficially interested in remaining 95,810,000 Shares and is owned as to 79.45% by SAC, 4.82% by Mr. Yoji SATO and 15.73% by Eurasia Foundation (from Asia) Limited which is also wholly-owned by Mr. Yoji

SATO. Therefore, each of SAC and Rich-O is directly or indirectly controlled by Mr. Yoji SATO and the interests in the Company held by SAC and Rich-O are deemed to be Mr. Yoji SATO's interests under the SFO. Mrs. Keiko SATO, his wife, is beneficially interested in 760 Shares, and such interests are deemed to be Mr. Yoji SATO's interests under the SFO.

- (4) Each of Mrs. Keiko SATO (wife of Mr. Yoji SATO), Mrs. Yaeko NISHIWAKI (sister of Mr. Yoji SATO), Mr. Masahiro SATO (brother of Mr. Yoji SATO), Mr. Shigehiro SATO (brother of Mr. Yoji SATO), and Mr. Kohei SATO (brother of Mr. Yoji SATO)(collectively, the "Sato Family Members") is a party acting in concert with Mr. Yoji SATO, SAC and Rich-O and each other to obtain or consolidate the holding of 30% or more of the Company, and is therefore deemed to be interested in the Shares in which Mr. Yoji SATO or any other Sato Family Member is interested, and Mr. Yoji SATO is deemed to be interested in the Shares in which any Sato Family Member is interested.
- (5) Mr. Kohei SATO, one of the Sato Family Members, was re-appointed as a non-executive Director on 24 June 2021. He is beneficially interested in 53,639,680 Shares. Mrs. Shizuka SATO, his wife, is beneficially interested in 1,500,000 Shares, and such interests are deemed to be Mr. Kohei SATO's interests under the SFO.

Save as disclosed above, as at the date of the Notice, none of the Candidates had or was deemed to have any interest or short position in the Shares, underlying Shares or debentures of the Company.

(ii) Interest in the associated corporation

None of the Candidates has any interests or short positions in the shares or underlying shares or debentures of any associated corporation of the Company.

Additional information under Rule 13.51(2)

Save as disclosed in the Notice, the Candidates have not been the directors of public companies the securities of which are listed on a securities exchange in Hong Kong or overseas in the three years immediately preceding the date of the Notice, and there is no other information regarding the Candidates to be disclosed pursuant to any requirements of provisions under Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules, nor are there other matters that would otherwise need to be brought to the attention of the Shareholders and the Stock Exchange.

Independence requirements under Rule 3.13

Mr. Mitsutoshi KATO, Mr. Thomas Chun Kee YIP, Mr. Kei MURAYAMA, Mr. Kiyohito KANDA and Mr. Koji KATO are Candidates for independent non-executive Directors under the Listing Rules.

The Company has received from each of the candidates for independent non-executive Directors a confirmation of his independence pursuant to Rule 3.13 of the Listing Rules and considers them to be independent.

Mr. Mitsutoshi KATO and Mr. Thomas Chun Kee YIP will have served as independent non-executive Directors for ten (10) years and three (3) months at the close of this Meeting. For this, the Company's Nomination Committee has reviewed their annual written confirmation of independence and assessed their independence based on the independence criteria as set out in Rule 3.13 of the Listing Rules. As a result, the Nomination Committee has confirmed that both individuals fully fulfilled their responsibilities as independent non-executive Directors during their

terms of office, that they were not directly involved in the Group's business, and that there is no evidence to believe that their independence was impaired. The Nomination Committee has also confirmed that during their terms of office, they expressed their views from an independent standpoint and actively contributed to the functions that the Board should fulfil from an objective standpoint through their abundant experience and wide-ranging insight. Considering their backgrounds and past experience, the Nomination Committee believes that their valuable knowledge and experience will continue to contribute to the improvement of the Board, the Company, and Shareholder's value, and therefore, our Nomination Committee concluded that "they remain independent and should be re-appointed as independent non-executive Directors".

APPENDIX V

The guide map of Annual General Meeting of Shareholders

Location 2-25-1-702 Nishi-Nippori, Arakawa-ku, Tokyo, Japan
Meeting Room of the Company's Headquarter

Tel. 03-5615-1222

Access JR Yamanote Line, Keihin Tohoku Line, Joban Line "Nippori Station"
Keisei "Nippori Station"
Nippori-Toneri Liner "Nippori Station"

