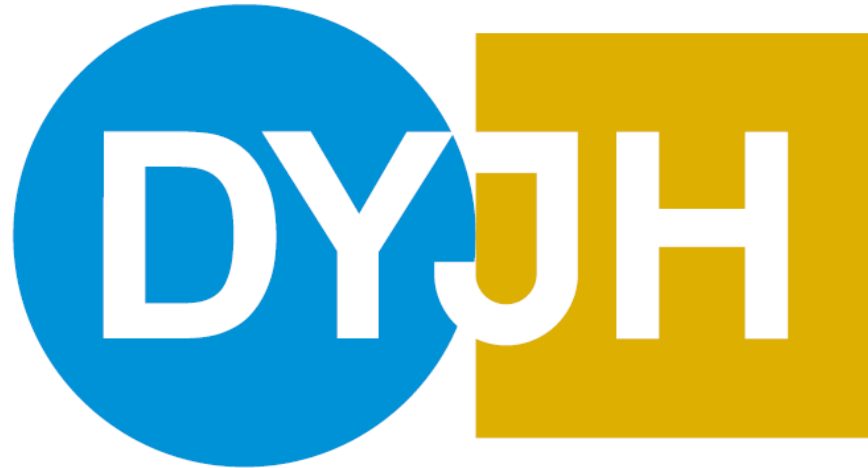




DYNAM JAPAN HOLDINGS Co., Ltd.
Stock Code(06889.HK)

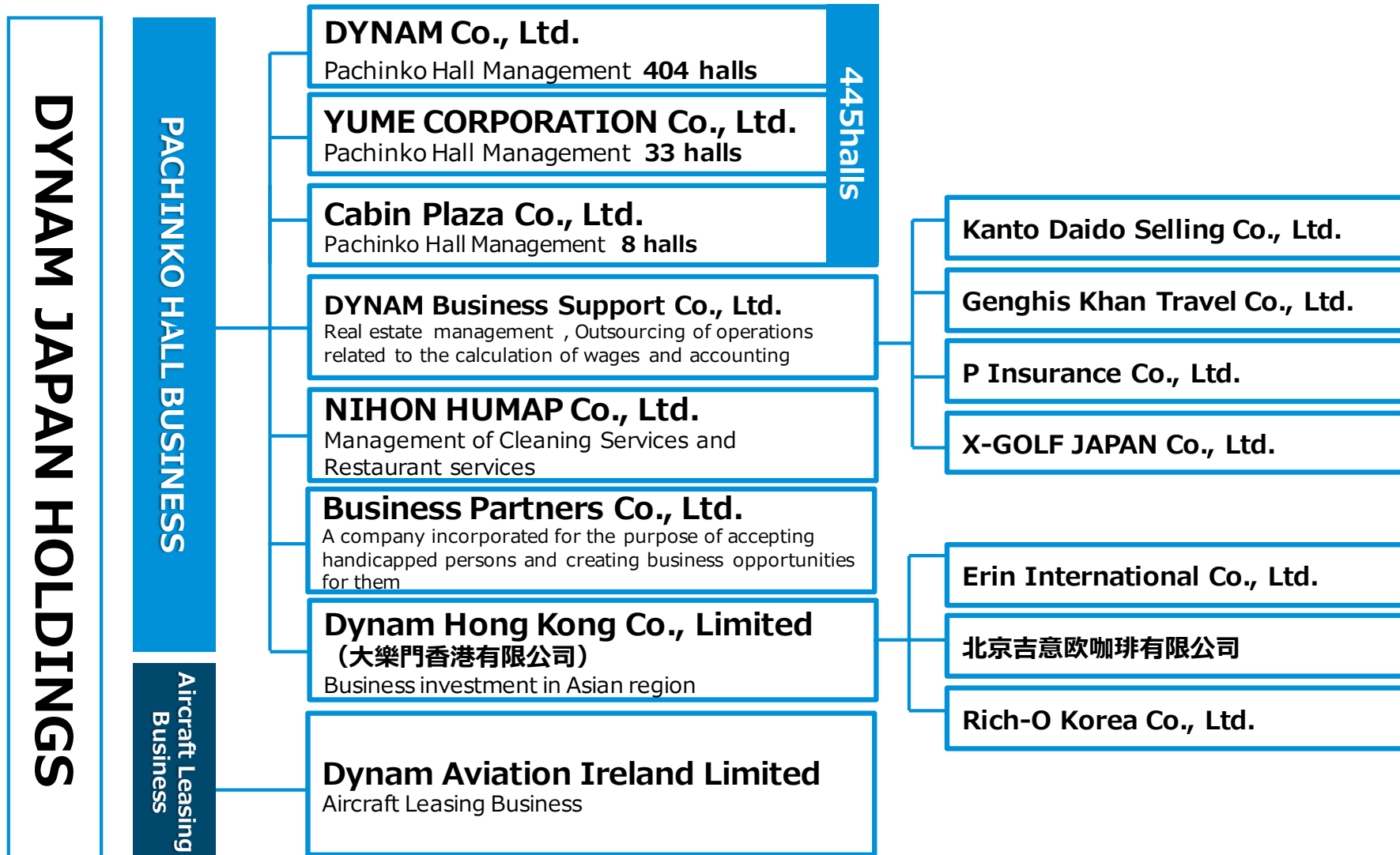
Interim Results for FY ended Mar 2021
Corporate Presentation

26 November 2020

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1. Highlight of business results① (DYJH)
2. Highlight of business results② (Hall business)
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DYJH Group Organization (As of 26 November 2020)



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1. Highlight of business results ① (D Y J H)

(¥million)

	1H ended 30 Sep 2020	1H ended 30 Sep 2019	YoY	Changes
Revenue	45,992	74,052	62.1%	(28,060)
Operating expenses	46,840	61,220	76.5%	(14,380)
Operating profit	2,781	14,042	19.8%	(11,261)
Net profit	689	8,696	7.9%	(8,007)

- About 97% of Pachinko Hall operation was suspended in April and May due to the Novel Coronavirus infection and Group revenue was plunged consequently.
- Pachinko operation has rebounded since June and marked profit in first half.

2. Highlight of business results ② (Dynam Co., Ltd.)

(¥million)

	1H ended 30 Sep 2020	YoY	Changes	Remarks
Revenue	42,456	61.5%	(26,626)	Operational suspension due to COVID-19 Sluggish recovery of operation
Expenses of gaming machines	5,072	43.4%	(6,608)	Control of machine purchasing, deferred installation
Personnel expenses	19,365	86.8%	(2,955)	Control of part time workers' wages Reduction salaries and bonuses
Other expenses	20,420	84.1%	(3,873)	Decrease of repairing expenses and reduction of rent
Non-operating profit and loss	3,255	532.7%	2,644	Employment adjustment subsidy
Profit before income tax	854	7.5%	(10,546)	—

※Interim results of Dynam Co., Ltd. ,core company in pachinko hall business, based on Japanese standards

2. Highlight of business results ② (Dynam Co., Ltd.)

Items	As of 30 Sep 2020	As of 30 Sep 2019	Changes	Remarks
Number of halls	404 halls	405 halls	(1 hall)	New hall: Ibaraki Inashiki Closed hall: Gunma Isesaki, Nishi Nippori
Operating ratio of Pachinko machines (※①)	27.3%	42.2%	(14.9pt)	Difference from competitors: +3.8pt (※②)
Operating ratio of pachislot machines	27.6%	39.2%	(11.6pt)	Difference from competitors: +0.3pt (※②)
Number of machines	189,339	188,765	+574	Our share in total number of machines in the industry: 4.5%
Number of PB (Private Brand) Pachinko machines	14,969	11,393	+3,576	Installation Ratio of PB machines in our pachinko halls: 11.3% (difference with the previous period: +2.8pt※③)

※① Operating ratio: Actual number of customers/ number of machines at the peak time(around 15 o'clock)

※② The value is calculated based on a research of number of customers made in competitors' 1,300halls adjacent to our halls nationwide.

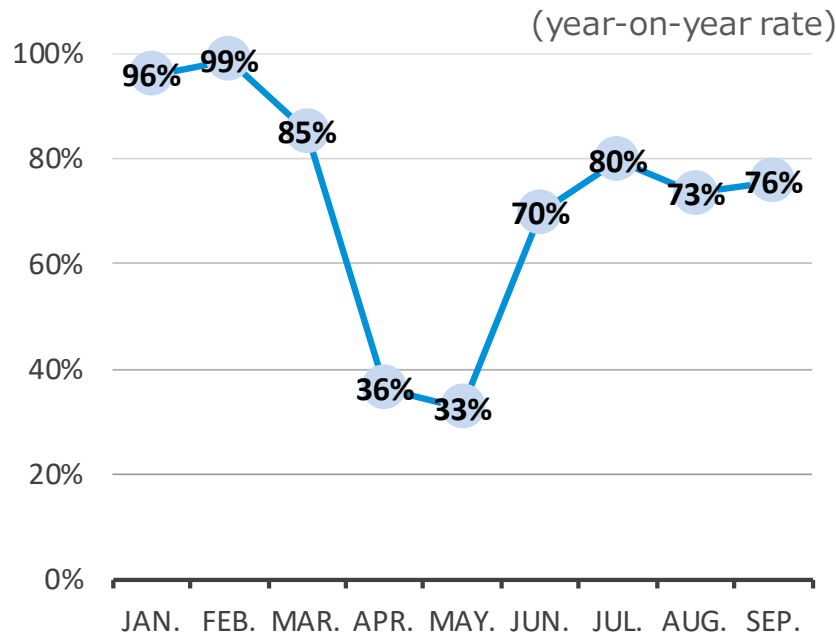
※③ Machine installation ratio means PB machine's ratio compared to the regular pachinko machines.

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3. Pachinko Business

(1) Fluctuation of Sales Revenue
(total of 3 operators in our Group)

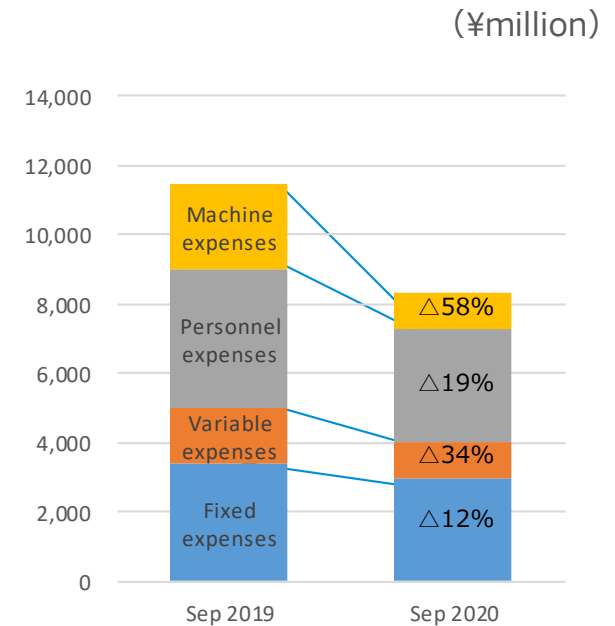


• Declaration of State of Emergency (April 16 nationwide)
• Business Suspension in 436 Halls

• Operational days were reduced by 47% in May year on year.

• Whole halls resumed their operation in June 1.

(2) Earnings Structure in First Half



■ Overall expense reduction continues due to decrease of sales revenue.

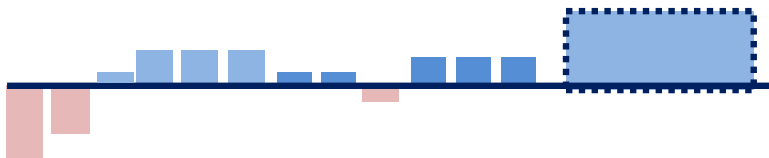
※Employment adjustment subsidy is excluded in personnel expenses.

3. Pachinko Business

(3) Forecast in Second Half

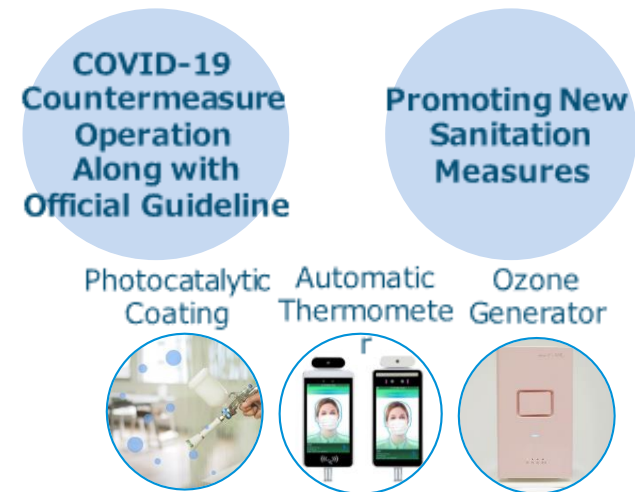
■ Prospect of Profit and Loss

First Half	Second Half	Full Year
Surplus remained despite a decrease in earnings.	Underlying prospect of surplus is seek to be established.	Solid foundation for next business year is prospected despite declining overview.



■ Toward a Recovery of Operational Revenue

- ① Promoting safety measures in pachinko halls to invite our regular customers back under the Coronavirus infection.



- ② Various cost reduction measures will be continued in view of time-consuming sales recovery.

3. Pachinko Business

(4) Coronavirus infection prevention measures



Game machine
disinfection



Droplet prevention
board ①



Droplet prevention
board ②



Social distancing ①



Social distancing ②



Disinfectant installation



Non-face-to-face
Smoking room



Body temperature
check

【 Contents 】

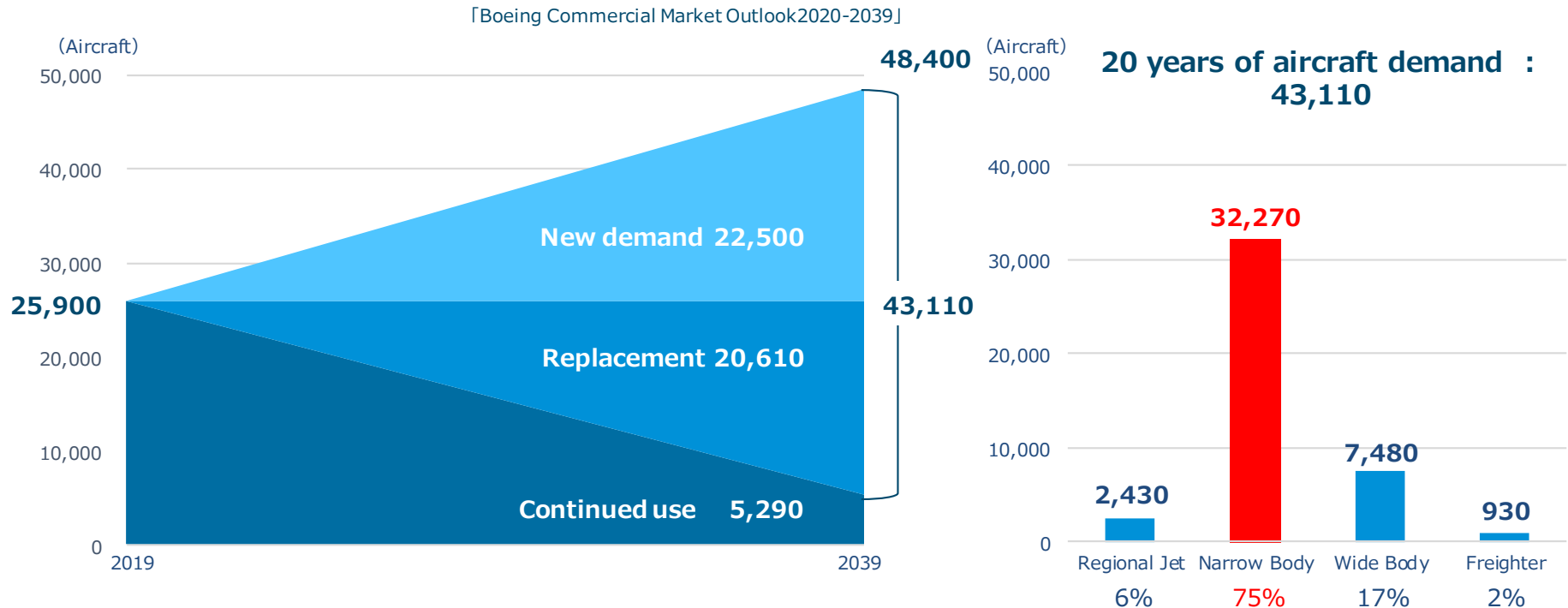
1. Highlight of business results① (DYJH)
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4. Aircraft leasing business

■ Business overview

Although the aviation industry has been hit hard at the moment, global demand for aircraft is expected to continue expanding in the medium to long term. Above all, narrow-body aircraft are expected to continue to be in high demand.

< Aircraft demand forecast for the next 20 years >



4. Aircraft leasing business

■ Status at the end of the current interim period

• Fleet	3 (A320, A320neo, A321neo)
• Average age	1.7 years
• Average remaining lease term	5.0 years
• Number of customer airlines	2 (Vueling, IndiGo)
• Fleet value	USD147.4M
• Lease income	USD6.9M
• Operating income	USD1.1M
• Yield	8.8% (Surface yield, annualized)

■ Business plan

While paying close attention to the financial status of airline companies, the policy is to carefully proceed with business negotiations centered on narrow-body aircraft within five years of manufacture.

Other business

Development of Video slot machine of time-consuming type

■ Sales promotion

Macau's casino facilities continue to operate after taking strict epidemic prevention measures, but the number of casino visitors has decreased significantly due to the effects of entry restrictions from mainland China. As of September 2020, the total gross profit of casinos has decreased by 90% from the previous year.

→Currently, the situation is waiting for the recovery of the Macau economy. Sales activities will resume as soon as the number of customers normalizes.

■ Certification status

Macau = DICJ, Singapore = CRA

Model	Status
Pachinko Bonus Series Unit 1	DICJ approved. CRA certified in May 2020
Pachinko Bonus Series Unit 2	DICJ approved. CRA certified in May 2020
Pachinko Bonus Series Unit 3	DICJ approved. CRA certified in May 2020
Pachinko Bonus Series Unit 4	DICJ approved in Sep 2020. Applying for CRA

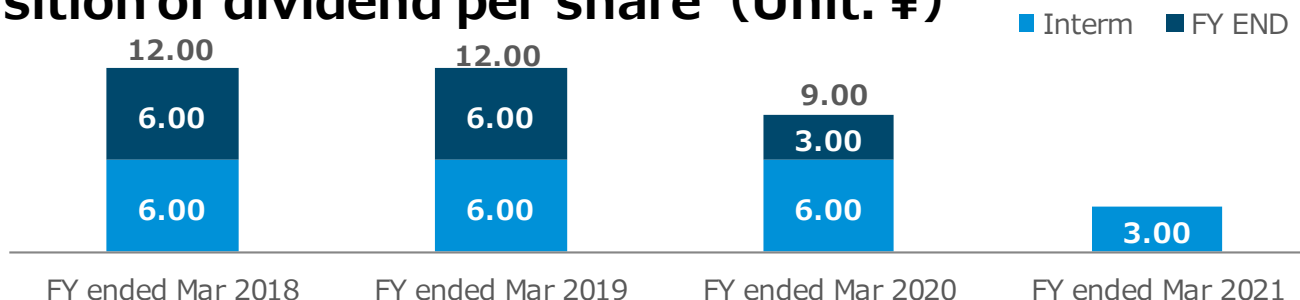
One new game console has been approved in Macau and three game consoles have been approved in Singapore. At this point, we currently have 6 models approved in Macau, and 3 in Singapore. We are planning to have sales activities in Asia."

Interim Dividend ¥3.00 per Share

◆ Dividend Amount

	Interim Dividend	Previous Interim Dividend	Previous Final Dividend
Record date for dividend	14 December 2020	9 December 2019	8 June 2020
Gross Dividend per Share	¥3.00	¥6.00	¥3.00
Total Amount of Dividend	¥2,277 million	¥4,596 million	¥2,298 million
Payment Date	13 January 2021	10 January 2020	24 June 2020

◆ Transition of dividend per share (Unit: ¥)



- During the interim period, 6,951,600 shares of treasury stock (approximately 0.9% of issued shares) were purchased on the market.

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5. Financial Summary

Consolidated Statement of Profit or Loss (IFRS)

(¥ million)

	1H FY2019 (Apr.-Sept. 2019)	1H FY2020 (Apr.-Sept. 2020)	Increase/ Decrease	Main Factors
Revenue	74,052	45,992	(28,060)	
Pachinko business	73,970	45,255	(28,715)	High playing cost halls 21,757 : Y on Y (14,557) Low playing cost halls 23,498 : Y on Y (14,158)
Aircraft leasing business	82	737	655	
Pachinko business Expenses	63,473	48,478	(14,995)	Machine expenses : Y on Y (7,481) Labor cost. : Y on Y (2,898)
Aircraft leasing expenses	86	444	358	
Other income	4,369	6,142	1,773	Commission from vending machines : Y on Y (983) Government grants : Y on Y 3,225
Other Expenses	820	431	(389)	
Operating profit	14,042	2,781	(11,261)	Y on Y : 19.8%
Finance Income	286	154	(132)	
Finance Expenses	1,178	1,458	280	
Profit before Income Tax	13,150	1,477	(11,673)	Y on Y : 11.2%
Net profit for the Period	8,696	689	(8,007)	Y on Y : 7.9%
EBITDA	19,638	7,854	(11,784)	

EBITDA is defined as earnings before finance costs, taxation, depreciation, amortization and net foreign exchange gain or loss.

5. Financial Summary

Consolidated Statement of Financial Position (IFRS)

(¥ million)

	As at 31 Mar. 2020	As at 30 Sep. 2020	Increase/ Decrease	Major components (As at 30 Sept. 2020)
Total Assets	277,239	296,384	19,145	Property, plant and equipment 100,588
				Right-of-use assets 79,027
				Cash and cash equivalents 67,840
				Deferred tax assets 14,254
				Lease receivables 7,424
Total Liabilities	142,507	164,156	21,649	Lease payables 93,381
				Accounts payable , Accrued expenses 14,487
				Interest bearing liabilities 35,244
Capital	15,000	15,000	-	
Reserve	119,732	117,228	(2,504)	Net profit for the Period 689
				Dividend paid (2,298)
				Acquisition and cancellation of treasury shares (755)
				Other comprehensive income (140)
Total Equity	134,732	132,228	(2,504)	Consolidated total equity ratio 44.6%
Total liabilities and equity	277,239	296,384	19,145	

5. Financial Summary

Interest Bearing Liabilities and Equity Ratio 【 Consolidated 】

【 Consolidated Interest Bearing Liabilities 】

(¥ million)

	As at 31 Mar. 2020	Ratio	As at 30 Sep. 2020	Ratio
Cash and cash equivalents	41,810	15.1%	67,840	22.9%
Interest bearing liabilities (Pachinko Business)	2,007	0.7%	24,816	8.4%
Interest bearing liabilities (Aircraft Leasing Business)	11,221	4.0%	10,428	3.5%
Total Assets	277,239	100.0%	296,384	100.0%

(Note) Increase of cash and cash equivalents by raising of bank loans for the preparation for the outbreak of the coronavirus (Covid-19).

【 Consolidated Total Equity Ratio 】

(¥ million)

	As at 31 Mar. 2020	Ratio	As at 30 Sep. 2020	Ratio
Capital	15,000	5.4%	15,000	5.1%
Reserve	119,732	43.2%	117,228	39.6%
Net assets	134,732	48.6%	132,228	44.6%
Total assets	277,239	100.0%	296,384	100.0%

Financial Statement of DYNAM (J-GAAP)

	1H FY2019 (Apr.-Sept. 2019)	1H FY2020 (Apr.-Sept. 2020)	Increase/ Decrease	Main Factors (¥ million)	
Revenue	66,774	41,076	(25,698)	Pachinko Y on Y : (15,736) Slot Y on Y : (9,962)	
Commission from vending machines	2,308	1,381	(927)		
Selling, General and Administrative expenses	58,294	44,858	(13,436)	Machine expenses Y on Y : (6,607) Hall expenses etc. Y on Y : (6,829)	
Operating profit	10,788	(2,401)	(13,189)		
Current profit	11,400	854	(10,546)	Y on Y : 7.5%	
Extraordinary income	1	—	(1)		
Extraordinary loss	201	114	(87)		
Net profit for the period	7,664	371	(7,293)	Y on Y : 4.8%	
	As at 31 Mar. 2020	As at 30 Sept. 2020	Increase/ Decrease	Main Factors (¥ million)	
Total Assets	117,324	134,244	16,920	Cash and cash equivalents	Y on Y : 14,870
Total Liabilities	28,168	46,981	18,813	Short-term borrowings	Y on Y : 18,189
Total Equity	89,156	87,263	(1,893)	Net profit Dividend paid to DYJH	371 (2,279)
Total Equity ratio	76.0%	65.0%	(11.0%)		

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Executive Officer

④



Mr. Akira HOSAKA
Director
(CEO of Dynam)

⑤



Mr. Kimiharu SATO
Executive Officer

