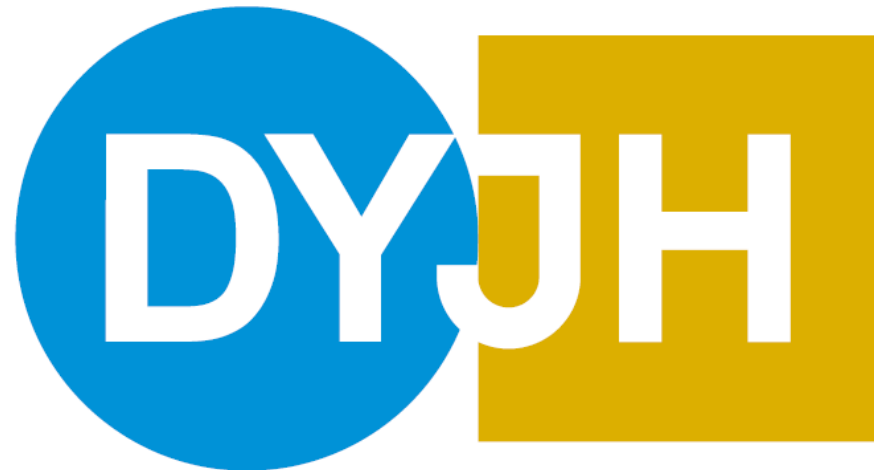




DYNAM JAPAN HOLDINGS Co., Ltd.
Stock Code(06889.HK)

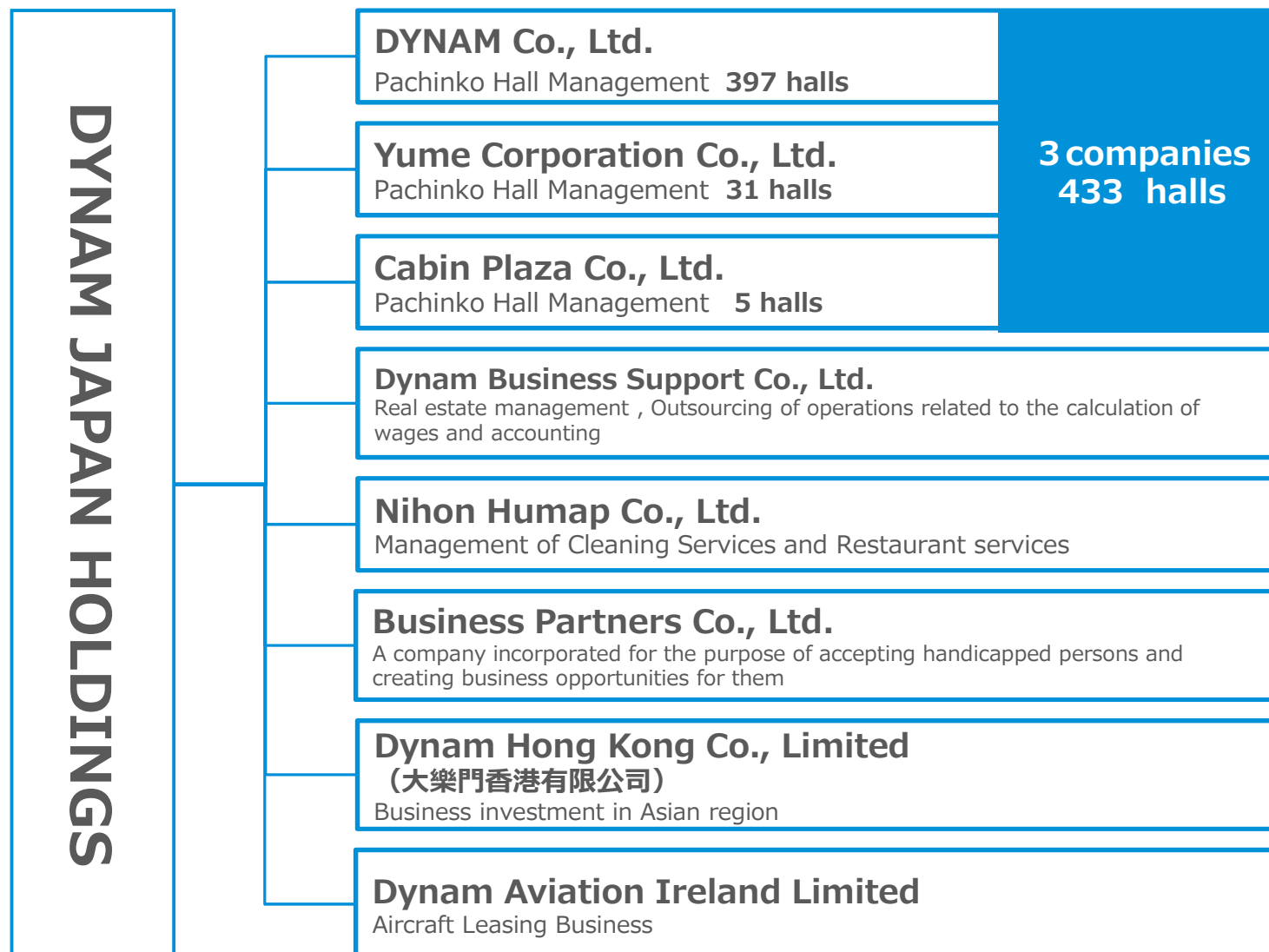
2024 Annual Results
Corporate Presentation

27 May 2024

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- 1. Highlight of Business Results① (Consolidated)**
- 2. Highlight of Business Results② (Core Business)**
- 3. Pachinko Business (Core Business)**
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DYJH Group Organization (As of 31 March 2024)



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1. Highlight of business results ① (Consolidated)

(¥million)

	2024	2023	Changes	YoY
Revenue	130,363	117,206	+13,157	111.2%
Operating profit	8,983	6,764	+2,219	132.8%
Net profit	3,385	1,798	+1,587	188.3%
EBITDA	53,205	43,729	+9,476	121.7%

- ① As for revenue, the Group posted sharp revenue growth since revenue from pachislot machines increased in pachinko business and lease revenue increased in aircraft leasing business due to an increase in the number of aircraft owned by the Group
- ② As for profit, the Group secured profit growth as the Group absorbed an increase in pachinko business expenses caused by depreciation expenses from pachinko and pachislot machines, etc.
- ③ EBITDA increased by 9,476 ¥million YoY due to an increase in operating profit and depreciation expenses from pachinko and pachislot machines.

2. Highlight of Business Results ② (Core Business)

Items	2024	2023	Changes	Remarks
Number of halls	397 halls	392 halls	+5	Newly Opened 7 Stores : 7 Stores acquired by M&A Closure 2 Stores : Miyagi Sendai Ichibancho, Miyazaki Mimata
Operating ratio of pachinko machines (※①)	28.0%	29.5%	▲1.5pt	Difference from competitors: +2.1pt (※②)
Operating ratio of pachislot machines (※①)	28.0%	24.1%	+3.9pt	Difference from competitors: ▲4.1pt (※②)
Number of machines	194,108	185,433	+8,675	Our share in total number of machines in the industry: 5.7%
Smart Pachinko	3,673	0	+3,673	Share in total pachinko machines installed: 2.8%
Smart Slot	18,810	4,956	+13,854	Share in total slot machines installed: 29.4%
PB (Private Brand) Pachinko machines	13,202	13,127	+75	Installation Ratio of PB machines in our pachinko halls: 10.1% (※③)

※① Operating ratio: Average of number of customers/ number of machines at the two peak times (3:00 pm and 7:00 pm) during this interim period.

※② The value is calculated based on a research of number of customers made in competitors' about 1,200 halls adjacent to our halls nationwide.

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

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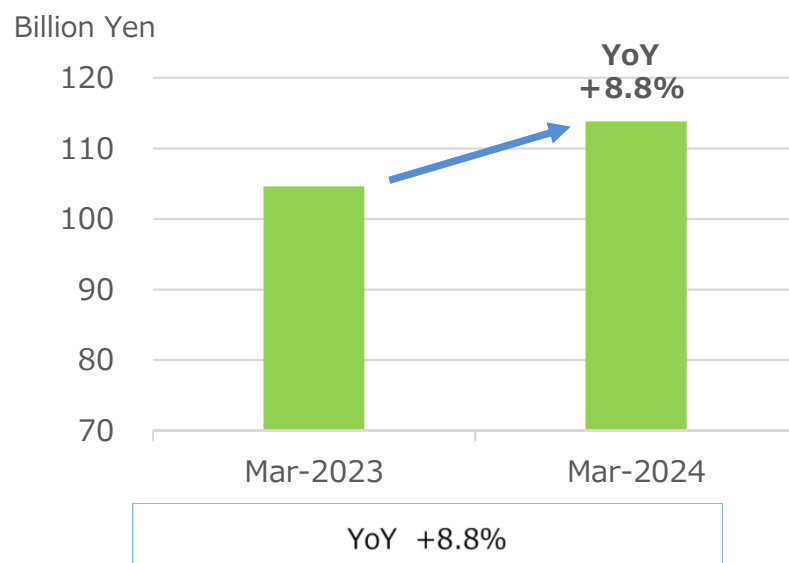
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3. Pachinko Business (Core Business)

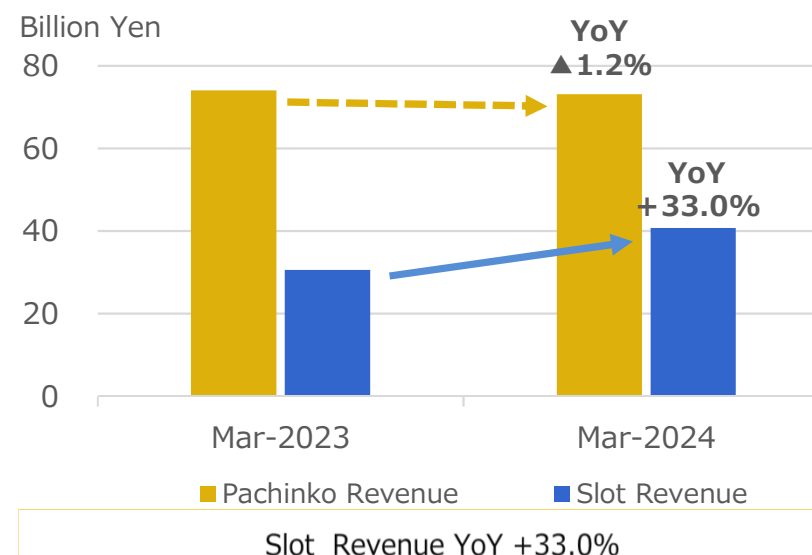
(1) Transition in Pachinko Business Revenue

- ☐ Revenue significantly increased due to the good performance of slot machines.
- ☐ Upon the introduction of smart slot machines, we increased the number of slot machines at totally 131 halls, thereby leading to the increase in revenue.
- ☐ We made large scale renovations of 10 halls focusing on high playing cost halls.
- ☐ Expansion in the number of halls via M&A (Acquisition of 7 halls from 2 competitors)

Revenue from Pachinko Business



Revenue by Machine Category



3. Pachinko Business (Core Business)

(2) Expenses

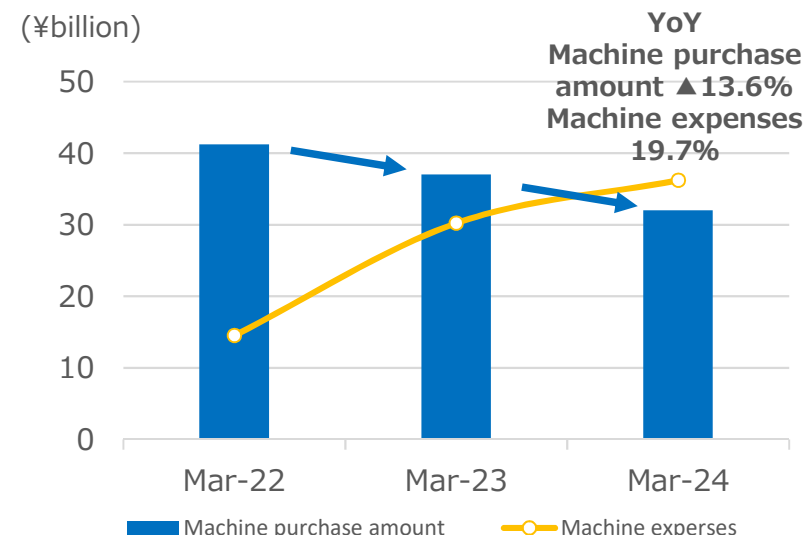
- Machine expenses increased due to the depreciation of those purchased in the past. Since purchasing expenses are decreasing year by year, we expect PL would be optimized in FY ending 31 March 2025 due to the decrease in the depreciation burden.
- Repair and maintenance expenses and depreciation expenses increased as a result of actively making hall growth investments. Utilities expenses fell below the amount in the previous year while electricity expenses keep on sharply rising.

Transition in Expenses

(¥million)			
Account Title	Mar-22	Mar-23	Mar-24
Machine expenses	14,527	30,211	36,156
Total staff costs	36,428	34,280	35,014
Total variable costs	12,235	14,963	15,448
Utilities expenses	4,588	6,612	6,407
Repair and maintenance expenses	1,861	2,341	3,284
Total fixed costs	28,794	27,725	27,342
Depreciation expenses	7,535	6,581	6,827

Repair and maintenance expenses YoY ¥940 million
 Depreciation expenses YoY ¥240 million
 Utilities expenses YoY ¥▲200 million ※Excluding M&A

Transition in Machine Expenses



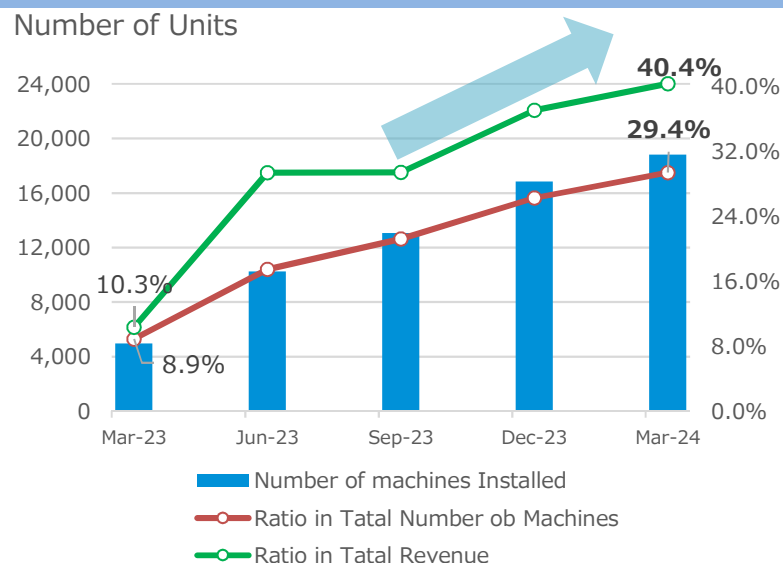
Machine purchase amount) YoY▲13.6%
 Machine expenses) YoY 19.7%

3. Pachinko Business (Core Business)

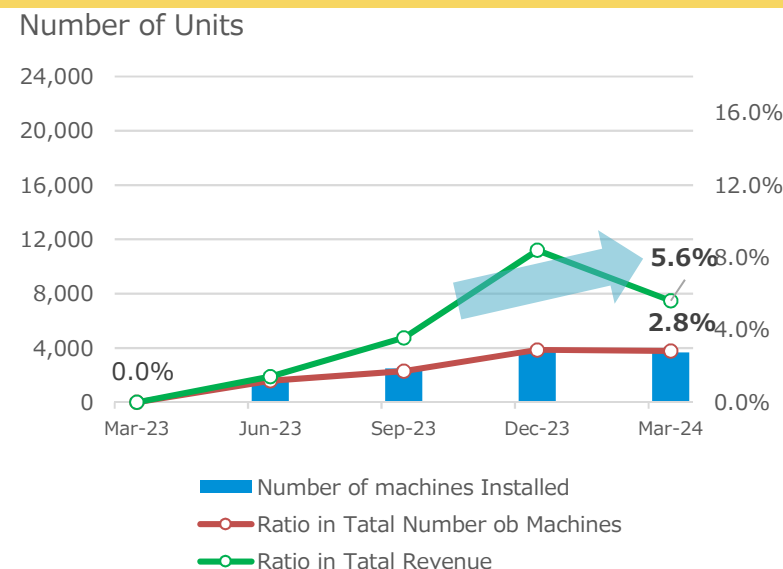
(3) Track Record of Introducing Smart Gaming Machines

- ❑ The number of installed smart slot machines was 18,810. Its installation ratio in the entire slot machine increased to 29.4%.
- ❑ The number of installed smart pachinko machines was 3,673. Its installation ratio in the entire pachinko machine stayed at 2.8%.
- ❑ There appeared some games for smart pachinko machines having good utilization, and many games are expected to be released in the future.
We plan to make appropriate investments into both smart slot machines and smart pachinko machines, thereby enhancing our earning capacity in the future.

Smart Slot Introduction Record



Smart Pachinko Introduction Record



3. Pachinko Business (Core Business)

(4) Growth Strategy for the Future

- ❑ Enhancing earning capacity by continuous large scale renovations of existing halls
- ❑ Response to customer needs by strengthening the development of and raising private brand machines
- ❑ Conversion to sustainable halls in consideration of global environment (climate change measures)

Rebuilding Hall Operation Based on Large Scale



- Renovating inside and outside of a hall with unified design and colors
- Increasing the number of installed gaming machines and repairing aging equipment in a hall

Environmental Management (Main Initiatives)

Appropriate Management of Energy Consumption

- Introduction of energy management system (BEMS)
- LED conversion of in-store lighting
- Utilising gaming machines' ECO mode
- Installation of solar panels

Water Saving Measures

- Installation of water saving toilets and bulbs

Framework for Avoidance of Waste Production (Appropriate Processing)

- Effective use of second-hand gaming machines (Secondary or tertiary use)
- Wooden halls
- Gaming machine recycle
- Recycling general wastes

Advancing Green IT

- Going paperless for our internal documents



BEMS & LED Lights
(Installed at all of halls)



EV Stand
(Installed at 313 halls)



Solar Panels
(To be installed at 40 halls in the 1st of this FY)

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4. Aircraft Leasing Business

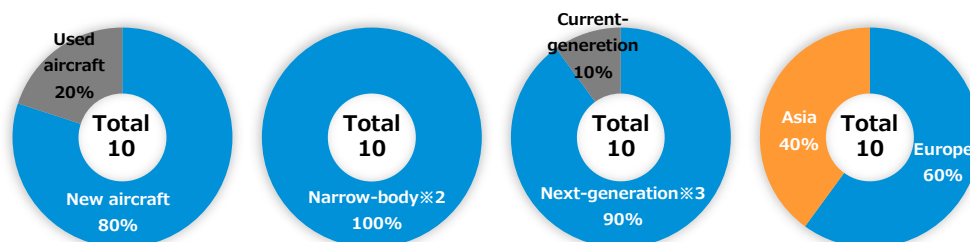
Highlight of business results (¥million)

	FY2024	FY2023	Changes
Lease revenue	5,883	2,875	+3,008
Net profit for the Period	908	372	+536
Operating assets	81,363	41,130	+40,233

Operating assets

	As of 31 Mar. 2024	As of 31 Mar. 2023	Changes
The number of aircraft	17	6	+11
Owned	10	6	+4
Managed	7	0	+7
Average age of aircraft (year)	1.9	2.1	▲0.2
Average remaining lease period (year)	6.0	5.3	+0.7
Yield (%) ※Gross rate, Annual base	8.1	8.1	0

Breakdown by aircraft asset type and region



- In Dublin, Ireland, nine experienced specialists, including a Japanese CEO, are stationed to handle all aspects of leasing operations.
- Dynam Aviation has started providing its aircraft lease management services to third parties because organized an in-house aircraft lease management services which had been outsourced before.
- Net profit for the Period has been increased mainly due to expansion of operating assets and earning fee income.
- As of March 2024, Dynam Aviation owns and manages 17 aircraft.
- Dynam Aviation's aircraft portfolio is highly liquid, consisting of young age next-generation type narrow-body with long remaining lease periods.
- All lessees are low-cost carriers (LCCs) in Europe and Asia.

※1 Gross rate, Annual base

※2 Narrow-body single-aisle aircraft (Airbus A320 series and Boeing B737 series) used mainly on domestic routes and within the region.

※3 Aircraft equipped with fuel-efficient engines (Pratt & Whitney's PW1100G or CFM International's Leap)

4. Aircraft Leasing Business

<Growth strategies>

- **Increase in operating assets:** Dynam Aviation will expand its revenue by continuing to acquire next-generation type narrow-body aircraft and lease them to top tier airlines.
- **Portfolio diversification:** Dynam Aviation will continue to mitigate risks with diversified aircraft types, ages, lease periods, leased airlines and regions.
- **Providing various aircraft lease management services:** Dynam Aviation aims to increase fee income by providing various services (aircraft sourcing, lease management, remarketing, deal advisory, market trends and know-how) to third parties.

(Topics) IndiGo, the leading LCC in India, and Airbus seminar

■ Dynam Aviation hosted a seminar with IndiGo and Airbus in Tokyo on April 9, 2024. Many Japanese investors, mainly Pachinko operators and financial institutions, participated in the seminar and understood deeply the aviation industry in India and leasing investment from Japan to India.



■ Dynam Aviation will continue to organize seminars and workshops on aircraft leasing, providing useful information and investment opportunities for mutual benefits.

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5. Financial Summary

Consolidated Statement of Profit or Loss (IFRS)

(¥million)

	This year (March 2024)	Last year (March 2023)	Changes	Main Factors
Revenue	130,363	117,206	+13,157	
Pachinko business	124,480	114,331	+10,149	High playing cost halls 58,466 : YoY + 2,473 Low playing cost halls 66,014 : YoY +7,676 Pachinko 78,767: YoY ▲1,208 Pachislot 45,712 YoY +11,357
Aircraft leasing business	5,883	2,875	+3,008	The Number of aircraft owned by the Group +4(6→10)
Pachinko business Expenses	118,673	110,484	+8,189	Increase in expenses related to pachinko and pachislot machines +6,001 Increase in repair and maintenance expenses +1,044
Aircraft leasing expenses	3,250	1,834	+1,416	
General and administrative Expenses	4,176	4,309	▲133	
Other Income	7,561	8,663	▲1,102	Last year: received compensation for removal of halls 817(Linear-chuo-shinkansen : DY Nagano Iida hall) Decrease in government grants ▲385(539→154)
Other Expenses	2,842	2,478	+364	
Operating profit	8,983	6,764	+2,219	
Finance Income	807	450	+357	
Finance Expenses	4,355	3,277	+1,078	
Profit before Income Tax	5,435	3,937	+1,498	
Net profit for the year	3,385	1,798	+1,587	
EBITDA	53,205	43,729	+9,476	

EBITDA is defined as earnings before finance costs, taxation, depreciation(excluding depreciation for right-of-use assets), amortisation and net foreign exchange gain or loss.

5. Financial Summary



Consolidated Statement of Financial Position (IFRS)

(¥million)

	As at 31 Mar. 2024	As at 31 Mar. 2023	Changes	Major Breakdown / Y o Y			
				Account	As at 31 Mar. 2024	As at 31 Mar. 2023	Changes
Total Assets	366,045	325,608	+40,437	Aircraft	81,363	41,130	+40,233
				Pachinko and pachislot machines	31,911	36,281	▲4,370
				Other Property, plant and equipment	70,087	69,465	+622
				Right-of-use assets	84,129	76,741	+7,388
				Cash and cash equivalents	50,109	59,605	▲9,496
Total Liabilities	234,557	197,181	+37,376	Lease liabilities	98,008	91,697	+6,311
				Accounts payable , Accrued expenses	14,904	14,732	+172
				Interest bearing liabilities	100,324	72,167	+28,157
Capital	15,000	15,000	-				
Reserve, etc.	116,488	113,427	+3,061	Net profit(attributable to owners of the Company)	3,384	1,806	+1,578
				Dividend paid	▲3,545	▲3,669	+124
				Other comprehensive income, etc.	3,222	▲692	+3,914
Total Equity	131,488	128,427	+3,061	Consolidated equity ratio	35.9%	39.4%	▲3.5
Total liabilities and equity	366,045	325,608	+40,437				

Interest Bearing Liabilities and Equity Ratio (IFRS)

(¥million)

【 Consolidated Interest Bearing Liabilities 】

	As at 31 Mar. 2024	Ratio	As at 31 Mar. 2023	Ratio
Cash and cash equivalents	50,109	13.7%	59,605	18.3%
Total Interest bearing liabilities	100,324	27.4%	72,167	22.2%
Interest bearing liabilities (recourse loan)	51,661	14.1%	47,090	14.5%
Interest bearing liabilities (non-recourse loan)	48,663	13.3%	25,077	7.7%
Net Cash	▲50,215	▲13.7%	▲12,562	▲3.9%
Total Assets	366,045	100.0%	325,608	100.0%

Net cash decreased by 37,653 ¥million due to purchase of 4 aircraft and so on in aircraft leasing business

【 Consolidated Equity Ratio 】

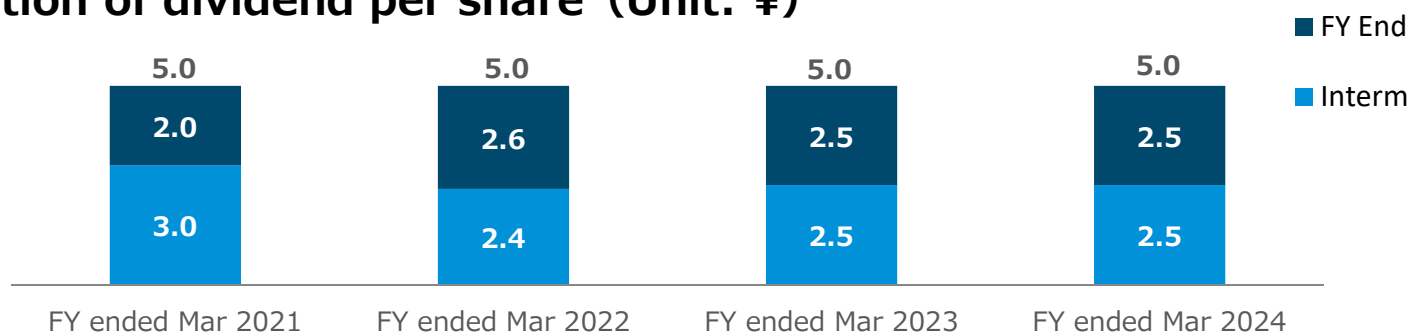
	As at 31 Mar. 2024	Ratio	As at 31 Mar. 2023	Ratio
Capital	15,000	4.1%	15,000	4.6%
Reserve, etc.	116,488	31.8%	113,427	34.8%
Total Equity	131,488	35.9%	128,427	39.4%
Total Assets	366,045	100.0%	325,608	100.0%

Final Dividend ¥2.5 per Share

■ Dividend Amount

	Final Dividend	Interim Dividend	Annual Dividend
Record Date	6 June 2024	14 December 2023	-
Dividend per Share	¥2.5	¥2.5	¥5.0
Total Amount	¥1,741 million	¥1,762 million	¥3,503 million
Payment Date	26 June 2024	12 January 2024	-

■ Transition of dividend per share (Unit: ¥)



(Note) During the fiscal year, 17,043,200 shares of treasury stock (approximately 2.4% of issued shares) were purchased in the market.

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Contact Information on this Material

Hisao Katsuta, Executive Officer

DYNAM JAPAN HOLDINGS Co., Ltd.

TEL 852-3769-0600 FAX 852-3769-0799

hisao_katsuta@dyjh.co.jp