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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.*

(incorporated in Japan with limited liability)

(Stock Code: 06889)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT an extraordinary general meeting 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.* (the “**Company**”) will be held at 2-27-5 Nishi-Nippori, Arakawa-ku, Tokyo, Japan on Wednesday, 20 January 2016 at 2:00 p.m. (Japan time) for the following purpose:

MATTER TO BE RESOLVED

Resolution General Mandate to Repurchase Shares

By order of the Board
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.*
Kohei SATO
Chairman of the Board

Tokyo, Japan, 28 December 2015

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

Principal place of business in Hong Kong:
Unit A1, 32nd Floor, United Centre
95 Queensway
Admiralty
Hong Kong

As of the date of this notice, the executive directors of the Company are Mr. Kohei SATO, Mr. Yoji SATO and Mr. Haruhiko MORI, and the non-executive director of the Company is Mr. Noriaki USHIJIMA and the independent non-executive directors of the Company are Mr. Ichiro TAKANO, Mr. Mitsutoshi KATO, Mr. Thomas Chun Kee YIP, Mr. Eisho KUNITOMO and Mr. Kei MURAYAMA.

* For identification purposes only

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

28 December 2015

Kohei SATO, Chairman of the Board
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.*
2-25-1-702 Nishi-Nippori, Arakawa-ku, Tokyo, Japan

**CONVOCATION NOTICE
FOR AN EXTRAORDINARY GENERAL MEETING OF SHAREHOLDERS**

Dear Shareholders:

NOTICE IS HEREBY GIVEN THAT an extraordinary general meeting of Shareholders (the “**Meeting**”) 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.* (the “**Company**”) will be held as detailed hereinafter, and your attendance is cordially requested.

Particulars:

1. **Date and time:** Wednesday, 20 January 2016 at 2:00 p.m., Japan time
(Reception starts at 1:30 p.m.)
2. **Location:** Head Office Building, DYNAM Co., Ltd.
2-27-5 Nishi-Nippori, Arakawa-ku, Tokyo, Japan
3. **Agenda of the Meeting:**

Matter to be Resolved

Resolution	General Mandate to Repurchase Shares
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* For identification purpose only

4. Decisions 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. As a precaution, 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 Investors 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) The resolution set out in this convocation notice (the “**Notice**”) will be decided by poll at the Meeting in accordance with Rule13.39(4) of the Listing Rules.
 - (2) Shareholders having voting rights recorded in the most recent share registry as of 21 December 2015 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 entitled voting rights of 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.
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REFERENCE MATERIALS FOR THE MEETING

AS ORDINARY RESOLUTION

1. RESOLUTION: GENERAL MANDATE TO REPURCHASE SHARES

“THAT: subject to and in accordance with all applicable laws and ordinances in Japan and Hong Kong and the requirements of the Listing Rules of the Stock Exchange, a general unconditional mandate be and is hereby given to the board of directors of the Company (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 means the period from the passing of this resolution until whichever is the earliest of:

1. 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
2. the passing of the ordinary resolution revoking, varying or renewing such mandate at a general meeting.”

For the purpose of this resolution, an explanatory statement required by the Listing Rules to be sent to the Shareholders (a copy is annexed hereto marked **“Document A”** for identification purpose) in connection with the proposed general mandate to repurchase Shares (the **“Explanatory Statement”**), a confirmation (a copy is annexed hereto marked **“Document B”** for identification purpose) from the Company that the Explanatory Statement contains the information required under the Listing Rules and that neither the Explanatory Statement nor the proposed Share repurchase under the mandate has any unusual features and an undertaking (a copy is annexed hereto marked **“Document C”** for identification purpose) to be given by a director of the Company (the **“Director”**), on behalf of the Board, to the Stock Exchange in relation to the exercise by the Company of its power to repurchase its own securities in accordance with the Listing Rules and the applicable laws of Japan, are set out on pages 6–14 of this Notice. The Explanatory Statement contains all information reasonably necessary to enable the Shareholders to make an informed decision on whether to vote for or against the resolution at the Meeting.

2. RECOMMENDATION

The Directors are of the opinion that the granting of the general mandate to repurchase Shares to the Directors as detailed in the section above is in the best interests of the Company and the Shareholders as a whole. Accordingly, they recommend the Shareholders to vote in favour of the resolution as set out in the Notice.

EXPLANATORY STATEMENT

This is an explanatory statement given to all the shareholders (“**Shareholders**”) 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.*) (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 an extraordinary general meeting of the Company (the “**EGM**”) to be held on 20 January 2016.

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, 781,655,696 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 EGM 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 78,165,569 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 authorised to repurchase shall not exceed ten percent (10%) of the total number of Shares issued by the Company as at the date of the EGM. 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 Company's 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 Company's Shares), which is currently approximately 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. The Directors believe that the Shares have been trading at a level which significantly undervalues the Company's underlying value. Since the Directors are committed to actively managing the Company's capital, the Directors believe that the exercise of the Repurchase Mandate 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 (the "**Articles**") of the Company and the applicable laws of Japan. Repurchases will be made out of funds of the Company legally permitted to be utilised in this connection.
- (5) The Directors do 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 latest 2015 interim report for the six months ended 30 September 2015 of the Company published on 3 December 2015) 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) No repurchase of Shares has been made by the Company since its incorporation.
- (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:

	Share Prices	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2014		
December	17.70	14.04
2015		
January	16.42	14.52
February	16.00	15.04
March	15.86	14.46
April	17.26	15.00
May	17.22	14.48
June	15.18	11.30
July	13.52	9.42
August	12.20	9.20
September	10.20	9.20
October	10.60	9.40
November	10.08	9.03
December (up to 18 December 2015 [#])	9.65	8.32

[#] *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 of Directors (the “**Board**”) or decision of executive officer(s) of the Company authorised 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.

** For identification purpose only*

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.*)

Date: 28 December 2015

BY FAX (2248 6911) ONLY

The Listing Division
The Stock Exchange of Hong Kong Limited
11/F, One International Finance Centre
1 Harbour View Street
Central, Hong Kong

Attention: Mr. Frank Wong/Mr. Rex Man/Mr. Stan Size

Dear Sirs,

Company : 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.*) (Stock Code: 06889) (the “Company”)

Subject : Granting of the Proposed Repurchase Mandate — Confirmation on Explanatory Statement pursuant to Rule 10.06(1)(b) of the Listing Rules

We refer to the proposed ordinary resolution in respect of the granting of general mandate to repurchase shares of the Company (the “**Repurchase Mandate**”) and the explanatory statement on the Repurchase Mandate (the “**Explanatory Statement**”) as set out in the convocation notice of the Company to be despatched on or before 28 December 2015.

Rule 10.06(5) of the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) provides 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 of incorporation of the Company, the Company shall without delay cancel any treasury shares acquired by the Company through the resolution of the Company’s board of directors (the “**Board**”) or decision of executive officer(s) authorised 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.

Pursuant to Rule 10.06(1)(b) of the Listing Rules, we hereby confirm to the Stock Exchange that, to the best of our knowledge, information and belief, the Explanatory Statement contains all the information required under Rule 10.06(1)(b) of the Listing Rules and that, save as disclosed herein, neither the Explanatory Statement nor the proposed share repurchase under the Repurchase Mandate has any unusual features.

Yours faithfully,

For and on behalf of
DYNAM JAPAN HOLDINGS Co., Ltd.*

Name: Kohei SATO
Title: Chairman of the Board

** for identification purpose only*

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.*)

Date: 28 December 2015

BY FAX (2248 6911) ONLY

The Listing Division
The Stock Exchange of Hong Kong Limited
11/F, One International Finance Centre
1 Harbour View Street
Central, Hong Kong

Attention: Mr. Frank Wong/Mr. Rex Man/Mr. Stan Size

Dear Sirs,

Company : 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.*) (Stock Code: 06889) (the “Company”)

Subject : **Granting of the Proposed Repurchase Mandate — Directors’ undertakings pursuant to Rule 10.06(1)(b)(vi) of the Listing Rules**

Reference is made to the proposed ordinary resolution in respect of the grant of general mandate to repurchase shares of the Company (the “**Repurchase Mandate**”) as set out in the convocation notice of the Company to be despatched on or before 28 December 2015.

In accordance with Rule 10.06(1)(b)(vi) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”), I, the undersigned, as the executive director and chairman of the board of directors (the “**Board**”) of the Company, hereby undertake, on behalf of each of the directors of the Company, to The Stock Exchange of Hong Kong Limited that, in the event that the Board exercises the powers to make purchases pursuant to the Repurchase Mandate, the Board shall comply with the articles of incorporation of the Company, the Listing Rules and the applicable laws and regulations of Japan from time to time in force.

Yours faithfully,
For and on behalf of
each of the directors of
DYNAM JAPAN HOLDINGS Co., Ltd.*

Name: Kohei SATO
Title: Chairman of the Board

** for identification purpose only*

The guide map of the Meeting

Location 2-27-5 Nishi-Nippori, Arakawa-ku, Tokyo, Japan
DYNAM Headquarter

Tel. 03-5850-3660

Access JR Yamanote Line, Keihin Tohoku Line, Joban Line “Nippori Station”

