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## **DYNAM JAPAN HOLDINGS Co., Ltd.**

*(incorporated in Japan with limited liability)*

**(Stock Code: 06889)**

### **RESIGNATION OF CHAIRMAN OF THE BOARD, CHIEF EXECUTIVE OFFICER, PRESIDENT, EXECUTIVE OFFICER AND MEMBERS OF NOMINATION COMMITTEE AND REMUNERATION COMMITTEE; RE-DESIGNATION OF DIRECTOR; APPOINTMENT OF CHAIRMAN OF THE BOARD; APPOINTMENT OF CHIEF EXECUTIVE OFFICER AND PRESIDENT; AND CHANGE OF COMPOSITION OF BOARD COMMITTEES**

The board of directors (the "**Board**") of DYNAM JAPAN HOLDINGS Co., Ltd. (the "**Company**") announces the following changes, all with effect from 27 April 2020:

- (1) Mr. Kohei SATO ("**Mr. Kohei SATO**") has resigned as chairman of the board, chief executive officer, president, executive officer, member of nomination committee and member of remuneration committee of the Company;
- (2) Mr. Kohei SATO has been re-designated from executive director to non-executive director;
- (3) Mr. Tatsuji FUJIMOTO ("**Mr. Fujimoto**") has been appointed as chairman of the Board and a member of the nomination committee and the remuneration committee of the Company; and
- (4) Mr. Makoto SAKAMOTO ("**Mr. Sakamoto**") has been appointed as chief executive officer and president of the Company.

#### **Resignation of Chairman of the Board, Chief Executive Officer, President, Executive Officer, Member of Nomination Committee and Member of Remuneration Committee of the Company**

The Board announces that, with effect from 27 April 2020, Mr. Kohei SATO has resigned as chairman of the board, chief executive officer, president, executive officer, member of nomination

committee and member of remuneration committee of the Company due to health issue. He also resigned as chairman of the board and director of Dynam Co., Ltd., a wholly-owned subsidiary of the Company incorporated in Japan ("**Dynam**"); and director and chief executive officer of Dynam Hong Kong Co., Limited, a wholly-owned subsidiary of the Company incorporated in Hong Kong ("**DYHK**"), all with effect from 27 April 2020.

Mr. Kohei SATO has confirmed that he has no disagreement with the Board and there is no matter in relation to his resignation that needs to be brought to the attention of The Stock Exchange of Hong Kong Limited and the Company's shareholders.

The Board would like to take this opportunity to thank Mr. Kohei SATO for his valuable contributions to our group during his terms of service.

### **Re-designation of Director**

The Board further announces that Mr. Kohei SATO has been re-designated from an executive director to a non-executive director of the Company, with effect from 27 April 2020 following his resignation stated above.

Mr. Kohei SATO, aged 65, is corporate advisor of the Board. Since June 2015, Mr. Kohei SATO had been (i) chairman of the Board, chief executive officer, president and executive officer of the Company, (ii) chairman of the board of directors of Dynam, and (iii) director and chief executive officer of DYHK.

Mr. Kohei SATO joined Dynam in June 1995. He spent the majority of his career at Dynam and held several senior management positions across different departments in Dynam. Between 1995 and 2000, he headed the corporate planning office and sales department of Dynam, until he was appointed as representative director of Dynam in June 2000. He was appointed as chief executive officer of the Company in January 2013, then president of the Company in June 2013, and then executive director of the Company in June 2014.

Prior to joining Dynam, Mr. Kohei SATO worked for Takeda Riken Industry Co., Ltd. (currently known as Advantest Corporation), a large-scale semi-conductor manufacturer the shares of which are listed on the New York Stock Exchange (NYSE: ATE). In June 1985, he joined Kodak Co., Ltd., a subsidiary of Eastman Kodak Co., the shares of which used to be listed on the New York Stock Exchange (NYSE: EK).

Mr. Kohei SATO graduated from the Tokyo University of Agriculture and Technology in March 1980 with a bachelor's degree in engineering. He received a master's degree in mechanical engineering from Tennessee Technological University in August 1982.

Mr. Kohei SATO is the younger brother of Mr. Yoji SATO, Mrs. Yaeko NISHIWAKI, Mr. Masahiro SATO and Mr. Shigehiro SATO, and the brother-in-law of Mrs. Keiko SATO, each of whom is a substantial shareholder and a controlling shareholder of the Company. Mr. Yoji SATO is also non-executive director of the Company. Mr. Kohei SATO is director of the board of directors of Eurasia Foundation (from Asia), a substantial shareholder of the Company.

The Company has not entered into a written service contract with Mr. Kohei SATO. His remaining term of office is about two months and will expire at the close of the 9th annual general meeting

of the Company to be held in in June 2020 in accordance with the articles of incorporation of the Company. Considering his re-designation to non-executive director, the remuneration committee of the Company has re-considered Mr. Kohei SATO's emolument for his remaining term of office and determined that it will be ¥2,000,000., with reference to his responsibilities, performance of duties to the Company, and so on.

As at the date of this announcement, Mr. Kohei SATO has interests in 444,805,120 shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (consisting of personal interests of 53,639,680 shares, his spouse's interests of 1,500,000 shares and family interests of 389,665,440 shares), representing approximately 58.07% of the entire issued share capital of the Company.

Save as disclosed above, (a) Mr. Kohei SATO does not have any relationship with any directors, senior management, substantial shareholder or controlling shareholder of the Company; (b) Mr. Kohei SATO has not been a director of a public company the securities of which are listed on a securities exchange in Hong Kong or overseas in the three years immediately preceding the date of this announcement; (c) there is no other information to be disclosed pursuant to Rule 13.51(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**"); and (d) there are no other matters in relation to Mr. Kohei SATO's re-designation that need to be brought to the attention of the shareholders of the Company.

### **Appointment of Chairman of the Board and Member of Nomination Committee and Member of Remuneration Committee**

The Board also announces that, with effect from 27 April 2020, Mr. Fujimoto has been appointed as chairman of the Board and a member of the nomination committee and the remuneration committee of the Company.

Mr. Fujimoto, aged 56, is a representative director of Dynam and a non-executive director of the Company.

He joined Dynam in December 2001. Since then he was mostly responsible for matters relating to the purchasing or logistics department. He was promoted to the head of the purchasing department of Dynam in March 2009, and the head of the logistics department of Dynam in March 2012. He was promoted to corporate executive officer of Dynam in June 2015. He was appointed as a director of Dynam in June 2016.

Before joining Dynam, in 1986 he started employment with The Daiei, Inc. (now a wholly-owned subsidiary of AEON Co., Ltd., the shares of which are listed on the first section of the Tokyo Stock Exchange (TSE: 8267)). After working at its multiple stores and head office as a manager, he worked as a member of the management for an affiliate of The Daiei, Inc. which engaged in providing building management services, for about four years.

The Company has not entered into a service contract with Mr. Fujimoto. His term of office will expire at the close of the 9th annual general meeting of the Company to be held in June 2020 in accordance with the articles of incorporation of the Company. The remuneration committee of the Company has reconsidered his annual emolument of ¥33,612,000 and determined that it will remain the same, with reference to his responsibilities, performance of duties to the Company, and so on.

As at the date of this announcement, as beneficial owner, Mr. Fujimoto holds 209,300 shares of the Company, representing approximately 0.03% of the entire issued share capital of the Company.

Save as disclosed above, (a) Mr. Fujimoto does not have any relationship with any directors, senior management, substantial shareholder or controlling shareholder of the Company; (b) Mr. Fujimoto has not been a director of a public company the securities of which are listed on a securities exchange in Hong Kong or overseas in the three years immediately preceding the date of this announcement; (c) there is no other information which is to be disclosed pursuant to Rule 13.51(2) of the Listing Rules; and (d) there are no other matters in relation to the appointment of Mr. Fujimoto that need to be brought to the attention of the shareholders of the Company.

### **Appointment of Chief Executive Officer and President**

The Board also announces that, with effect from 27 April 2020, Mr. Sakamoto has been appointed as chief executive officer and president of the Company.

Mr. Sakamoto, aged 63, has been a managing director of Dynam since June 2016, and has been an executive officer of the Company since June 2014.

He joined our group in February 2004 when he joined Dynam. Since then he was mostly responsible for matters relating to human resources. He was promoted to the senior manager of the human resources development department of Dynam in September 2005 and then the head of the personnel department as well as corporate executive officer of Dynam in September 2006. He was appointed as director of Dynam in June 2011.

Before joining Dynam, in 1980 he started employment with The Daiei, Inc. (now a wholly-owned subsidiary of AEON Co., Ltd., the shares of which are listed on the first section of the Tokyo Stock Exchange (TSE: 8267)). After working at its multiple stores for three years, he was consistently responsible for personnel management matters. After working as the head of the personnel department of the same company from September 1996 to September 1999, he worked for Big Boy Japan Co., Ltd. until October 2002, an affiliate of The Daiei, Inc. From November 2002, he worked for Central Services System Co., Ltd. and during the period from May to November of 2003, he worked for Japan Sportsvision Co., Ltd. He has been consistently responsible for personnel management matters during his career.

The Company has not entered into a written service contract with Mr. Sakamoto. His term of office will expire at the close of the meeting of the Board to be held immediately after the conclusion of the 9th annual general meeting of the Company to be held in June 2020 in accordance with the articles of incorporation of the Company. The remuneration committee of the Company has re-considered Mr. Sakamoto's annual emolument of ¥24,824,000 and determined that it remains the same, with reference to his responsibilities, performance of duties to the Company, and so on.

As at the date of this announcement, as beneficial owner, Mr. Sakamoto holds 22,000 shares of the Company, representing approximately 0.003% of the entire issued share capital of the Company.

Save as disclosed above, (a) Mr. Sakamoto does not have any relationship with any directors, senior management, substantial shareholder or controlling shareholder of the Company; (b) Mr. Sakamoto has not been a director of a public company the securities of which are listed on a securities exchange in Hong Kong or overseas in the three years immediately preceding the date of this announcement; (c) there is no other information to be disclosed pursuant to Rule 13.51(2) of the Listing Rules; and (d) there are no other matters in relation to the appointment of Mr. Sakamoto that need to be brought to the attention of the shareholders of the Company.

By order of the Board  
**DYNAM JAPAN HOLDINGS Co., Ltd.**  
**Tatsuji FUJIMOTO**  
*Chairman of the Board*

Tokyo, Japan, 27 April 2020

*As of the date of this announcement, the non-executive directors of the Company are Mr. Tatsuji FUJIMOTO, Mr. Yoji SATO, Mr. Kohei SATO, and 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. Kei MURAYAMA and Mr. Kiyohito KANDA.*