

DIRECTORS AND SENIOR MANAGEMENT

Our Company was incorporated in Japan as a stock company (*kabushiki-gaisha* 株式会社) under the Companies Act with an audit committee, a nomination committee, and a remuneration committee. Pursuant to the Companies Act, companies with this corporate structure form a specific category of stock company (*kabushiki-gaisha* 株式会社) and are required to appoint a board of directors and a minimum of one executive officer (*shikkoyaku* 執行役).

BOARD OF DIRECTORS

Our Board of Directors is the primary decision-making body of our Company, setting fundamental business strategies and policies for the management and operation of our business and monitoring their implementation.

Our Board currently consists of seven Directors, comprising one executive Director, one non-executive Director and five independent non-executive Directors. Pursuant to our Articles of Incorporation, our Directors are elected by our Shareholders at the annual Shareholders' meetings. The term of office of a Director shall expire at the end of the next annual Shareholders' meeting to be held after his appointment. Directors may serve any number of consecutive terms.

The following table lists the current members of our Board:

Name	Age	Position/Title in our Group	Date of appointment
Mr. Yoji SATO (佐藤洋治).....	66	Executive Director; chairman of the Board; Chief Executive Officer; and member of nomination and remuneration committees <i>the Company</i> Representative director and president <i>Shinrainomori</i> Representative director <i>Shinrainomori Association</i>	20 September 2011 ⁽¹⁾
Mr. Noriaki USHIJIMA (牛島憲明).....	62	Non-executive Director <i>the Company</i>	20 September 2011 ⁽¹⁾
Mr. Katsuhide HORIBA (堀場勝英).....	68	Independent non-executive Director ⁽²⁾ ; and chairman of nomination and remuneration committees <i>the Company</i>	20 September 2011 ⁽¹⁾
Mr. Ichiro TAKANO (高野一郎).....	56	Independent non-executive Director ⁽²⁾ ; and chairman of audit committee <i>the Company</i>	20 September 2011 ⁽¹⁾
Mr. Yukio YOSHIDA (吉田行雄).....	66	Independent non-executive Director ⁽²⁾ ; and member of audit committee <i>the Company</i>	20 September 2011 ⁽¹⁾
Mr. Mitsutoshi KATO (加藤光利).....	54	Independent non-executive Director; and member of remuneration and nomination committees <i>the Company</i>	29 February 2012

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Name	Age	Position/Title in our Group	Date of appointment
Mr. Thomas Chun Kee YIP (葉振基)	51	Independent non-executive Director; and member of audit committee the Company	29 February 2012

- (1) Mr. Sato, Mr. Ushijima, Mr. Horiba, Mr. Takano and Mr. Yoshida were appointed on the date of the incorporation of our Company.
- (2) Mr. Ushijima, Mr. Horiba, Mr. Takano and Mr. Yoshida were appointed as outside Directors (*shagai torishimariyaku* 社外取締役) on the date of the incorporation of our Company. "Outside director" has a different meaning under the Companies Act when compared to the meaning of "independent non-executive Director" under the Listing Rules.

Below are the biographies of our current Directors:

Executive Director

Mr. Yoji SATO (佐藤洋治) age 66

Executive Director, chairman of the Board and Chief Executive Officer

Mr. Sato was appointed as our executive Director with effect from 20 September 2011, the date of incorporation of our Company. He is also the chairman of our Board, our Chief Executive Officer (*daihyo shikkoyaku* 代表執行役), and a member of our remuneration and nomination committees. Mr. Sato was re-appointed to the same positions on 20 June 2012. Mr. Sato is primarily responsible for our Group's overall strategic planning and the management of our Group's business operations. He is also a representative director (*daihyo torishimariyaku* 代表取締役) and president of Shinrainomori and a representative director of Shinrainomori Association.

Raised in Japan, Mr. Sato joined our Group in January 1970 and since then, he has been instrumental in our business expansion and has developed our Group from a small-scale operation with two pachinko halls in Tokyo to the largest pachinko hall operator in terms of number of halls according to Yano Research with a chain store operation of 355 pachinko halls in 46 prefectures across Japan as at 31 March 2012. Mr. Sato's career milestones prior to the establishment of our Group are set out in the following table:

Date	Career milestones
March 1968	• Mr. Sato graduated from Waseda University with a bachelor's degree in commerce
April 1968	• Mr. Sato began his career in Daiei Inc., a large-scale supermarket-chain in Japan the shares of which are listed on the Tokyo Stock Exchange (TSE: 8263)
January 1970	• Mr. Sato received interests from Mr. Yohei SATO, his father, in Sawa Shoji Co., Ltd., the predecessor of Dynam and the holding company of our pachinko hall operations at that time
September 1978	• Mr. Sato was appointed as the president and representative director (<i>daihyo torishimariyaku</i> 代表取締役) of Dynam
April 2003	• Mr. Sato was appointed as the president and representative director (<i>daihyo torishimariyaku</i> 代表取締役) of Dynam Investment

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<u>Date</u>	<u>Career milestones</u>
December 2006	• Mr. Sato assumed the positions of president and representative director (<i>daihyo torishimariyaku</i> 代表取締役) in DYH following the 2006 Restructuring, as a result of which DYH became the holding company of our pachinko hall operations
March 2007	• Mr. Sato was re-designated as the director, chairman of the board and chief executive officer (<i>daihyo shikkoyaku</i> 代表執行役) of DYH as DYH underwent a series of restructuring in its corporate governance regime
December 2008	• Mr. Sato was appointed as the president and representative director (<i>daihyo torisimariyaku</i> 代表取締役) of Shinrainomori
September 2011	• Following the incorporation of our Company, Mr. Sato resigned from all of his positions in DYH. He was subsequently appointed as our executive Director, chairman of our Board and Chief Executive Officer (<i>daihyo shikkoyaku</i> 代表執行役)

Mr. Sato has spent over four decades with our Group, during which he obtained extensive experience in the management and operation of pachinko halls, corporate governance, strategic planning, and financial management. We believe that the success of our Group and his personal attributes earned him wide recognition as a leading figure and pioneer in the pachinko industry in Japan. Mr. Sato is an advisor of the Pachinko Chain Stores Association* (パチンコ・チェーンストア協会). The Pachinko Chain Stores Association is a leading industry organisation in the pachinko industry of Japan that promotes pachinko as a means of entertainment and leisure among the general public in Japan.

Mr. Sato was a director, the chairman of the board and chief executive officer (*daihyo shikkoyaku* 代表執行役) of DYH from March 2007 until he resigned from these positions following the incorporation of our Company. Upon the completion of the Global Offering, save for being a controlling DYH Shareholder, Mr. Sato will have no on-going executive or non-executive roles in DYH.

Mr. Sato is one of our Controlling Shareholders. Together with Rich-O and the Sato Family Members, Mr. Sato will be interested in approximately 68.2% of our entire issued share capital immediately following the completion of the Global Offering (without taking into account the Shares that may be issued and allotted pursuant to the exercise of the Over-Allotment Option). Save as disclosed herein, Mr. Sato has not been (i) a director of any public company the securities of which are listed on the securities markets in Hong Kong or overseas in the three years immediately preceding the date of this Prospectus; (ii) a full time government official of any country; or (iii) a full time employee of a government-owned or operated entity.

Non-executive Director

Mr. Noriaki USHIJIMA (牛島憲明) age 62

Non-executive Director

Mr. Ushijima was appointed as our outside Director (*shagai torishimariyaku* 社外取締役) with effect from 20 September 2011, the date of incorporation of our Company. Mr. Ushijima was re-appointed to the same position on 20 June 2012.

Mr. Ushijima has over 30 years' experience serving at the Tokyo Stock Exchange. He held several senior positions at the Tokyo Stock Exchange between April 1973 and June 2004, and has substantial knowledge in the regulatory regime of securities products. Between June 2002

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and May 2004, Mr. Ushijima assumed the positions of general manager in the listing inspection department and derivatives department of the Tokyo Stock Exchange. In June 2004, he assumed the positions of director and executive officer at Jasdaq Securities Exchange, Inc. As a member of the senior management of Jasdaq Securities Exchange, Inc., Mr. Ushijima has substantial experience in compliance and securities matters in Japan. Mr. Ushijima left Jasdaq Securities Exchange, Inc. in November 2006 and founded the Noriaki Ushijima Office in December 2006, providing business consulting services from its office in Chuo district (中央区), Tokyo.

Since March 2008, Mr. Ushijima had been an outside director (*shagai torishimariyaku* 社外取締役) and a member of the audit committee of DYH. He has resigned from these positions following the incorporation of our Company. Mr. Ushijima graduated from Chuo University in March 1973 with a bachelor's degree in economics. Immediately following the completion of the Global Offering, Mr. Ushijima will be interested in 838,000 Shares of our Company. Save as disclosed herein, Mr. Ushijima has not been a director of any public company the securities of which are listed on the securities markets in Hong Kong or overseas in the three years immediately preceding the date of this Prospectus.

Independent non-executive Directors

Our independent non-executive Directors were appointed as outside Directors (*shagai torishimariyaku* 社外取締役). "Outside director" has a different meaning under the Companies Act when compared with the meaning of "independent non-executive director" under the Listing Rules.

Our Directors have considered all of the factors under Rule 3.13 of the Listing Rules and are satisfied with the independence of our independent non-executive Directors.

Mr. Katsuhide HORIBA (堀場勝英) age 68 *Independent non-executive Director*

Mr. Horiba was appointed as our outside Director (*shagai torishimariyaku* 社外取締役) with effect from 20 September 2011, the date of incorporation of our Company. He is also the chairman of our nomination and remuneration committees. Mr. Horiba was re-appointed to the same positions on 20 June 2012.

Mr. Horiba began his career in April 1968 at Daiei Inc., a large-scale supermarket-chain in Japan the shares of which are listed on the Tokyo Stock Exchange (TSE: 8263), where he once held the position of director and divisional manager of its accounting department. Subsequently, Mr. Horiba joined Daiei OMC, Inc. (currently known as Cedyna Financial Corp), a provider of consumer credit card services the shares of which used to be listed on the Tokyo Stock Exchange (TSE: 8258), where he served as a senior managing director. Subsequently, Mr. Horiba also worked as a chief financial officer at Aiful Corporation, a large-scale consumer finance company the shares of which are listed on the Tokyo Stock Exchange (TSE: 8515). With his previous positions in a number of public companies in Japan, Mr. Horiba is experienced in general corporate management.

Since October 2006, Mr. Horiba has been an outside director of DYH (*shagai torishimariyaku* 社外取締役). In March 2007, he was also appointed as the chairman of the nomination committee and a member of the remuneration committee of DYH. Following the incorporation of our Company, Mr. Horiba resigned from all positions he held within DYH.

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Mr. Horiba graduated from Keio University in March 1968 with a bachelor's degree in commerce. Immediately following the completion of the Global Offering, Mr. Horiba will be interested in 100,000 Shares of our Company, representing less than 1% of the our entire issued share capital in compliance with Rule 3.13 of the Listing Rules. Save as disclosed herein, Mr. Horiba has not been a director of any 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 Prospectus.

Mr. Horiba was an outside director (*shagai torishimariyaku* 社外取締役) of DYH between 1 October 2006 and 20 September 2011. Our Directors are of the view that this position does not affect Mr. Horiba's independence under Rule 3.13(7) of the Listing Rules because (i) as confirmed by our Japan Legal Adviser, Mr. Horiba, as an outside director (*shagai torishimariyaku* 社外取締役), was not allowed to perform any executive functions in DYH under the Companies Act and (ii) Mr. Horiba is independent of our Company, Directors, Chief Executive Officer, substantial Shareholders, Controlling Shareholders, each of our subsidiaries and each of their respective associates.

Mr. Ichiro TAKANO (高野一郎) age 56
Independent non-executive Director

Mr. Takano was appointed as our outside Director (*shagai torishimariyaku* 社外取締役) with effect from 20 September 2011, the date of incorporation of our Company. He is also the chairman of our audit committee. Mr. Takano was re-appointed to the same positions on 20 June 2012.

Mr. Takano is currently a partner of Takano Law Offices, a legal practice based in Minato district (港区), Tokyo. He is also a statutory auditor (*kansayaku* 監査役) of Hikari Tsushin Inc., a supplier of mobile phones and office equipment, the shares of which are listed on the Tokyo Stock Exchange (TSE: 9435). Prior to his current positions, Mr. Takano had substantial experience in handling compliance matters under the Companies Act at a number of law firms in Tokyo, Japan between 1987 and 2005. He has obtained over 24 years' experience practising as an attorney-at-law (*bengoshi* 弁護士) in Japan. Mr. Takano graduated from Waseda University in March 1980 with a bachelor's degree in law. He was admitted as an attorney-at-law in Japan in 1987.

Mr. Takano was appointed as an outside statutory auditor (*shagai kansayaku* 社外監査役) of DYH in October 2006. In March 2007, DYH underwent a restructuring in its corporate governance regime and Mr. Takano was re-designated as an outside director (*shagai torishimariyaku* 社外取締役) and a member of the audit committee of DYH. Following the incorporation of our Company, Mr. Takano has resigned from all positions he held within DYH.

Immediately following the completion of the Global Offering, Mr. Takano will be interested in 20,000 Shares of our Company, representing less than 1% of our entire issued share capital in compliance with Rule 3.13 of the Listing Rules. Save as disclosed herein, Mr. Takano has not been a director of any 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 Prospectus.

Mr. Takano was an outside director (*shagai torishimariyaku* 社外取締役) of DYH between 29 March 2007 and 20 September 2011. Our Directors are of the view that this position does not affect Mr. Takano's independence under Rule 3.13(7) of the Listing Rules because (i) as confirmed by our Japan Legal Adviser, Mr. Takano, as an outside director (*shagai torishimariyaku* 社外取締役), was not allowed to perform any executive functions in DYH under

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the Companies Act and (ii) Mr. Takano is independent of our Company, Directors, Chief Executive Officer, substantial Shareholders, Controlling Shareholders, each of our subsidiaries and each of their respective associates.

Mr. Yukio YOSHIDA (吉田行雄) age 66
Independent non-executive Director

Mr. Yoshida was appointed as our outside Director (*shagai torishimariyaku* 社外取締役) with effect from 20 September 2011, the date of incorporation of our Company. He is also a member of our audit committee. Mr Yoshida was re-appointed to the same positions on 20 June 2012.

Mr. Yoshida is an expert in the field of tax accounting. He was a founder of Yoshida Tax Accounting Office, a tax accounting practice based in Chiyoda district (千代田区), Tokyo. He began his career at Sapporo National Tax Agency in 1965. Subsequently, Mr. Yoshida became the deputy head of Fujisawa Tax Agency. He was then appointed by the Supreme Court of Japan as an examination officer and later became a director of Yokohama National Tax Agency between 2004 and 2005. In his previous positions with various national tax agencies across Japan, Mr. Yoshida has accumulated approximately 37 years of experience in tax accounting.

Mr. Yoshida is an active academic. He was named a professor of the National Tax College in July 1998 and was a visiting professor in the Economics Department at Toyo University in April 2006.

Since June 2008, Mr. Yoshida was an outside director (*shagai torishimariyaku* 社外取締役) and a member of the audit committee of DYH. Following the incorporation of our Company, Mr. Yoshida has resigned from all positions he held within DYH.

Mr. Yoshida graduated from Fuji Junior College (currently known as Tokyo Fuji University Junior College) in March 1971 with an associate degree in economics. He is a certified public tax accountant (*zeirishi* 税理士) recognised by Japan Federation of Certified Public Tax Accountants' Association. Immediately following the completion of the Global Offering, Mr. Yoshida will be interested in 140,000 Shares of our Company, representing less than 1% of our entire issued share capital in compliance with Rule 3.13 of the Listing Rules. Save as disclosed herein, Mr. Yoshida has not been a director of any 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 Prospectus.

Mr. Yoshida was an outside director (*shagai torishimariyaku* 社外取締役) of DYH between 27 June 2008 and 20 September 2011. Our Directors are of the view that this position does not affect Mr. Yoshida's independence under Rule 3.13(7) of the Listing Rules because (i) as confirmed by our Japan Legal Adviser, Mr. Yoshida, as an outside director (*shagai torishimariyaku* 社外取締役), was not allowed to perform any executive functions in DYH under the Companies Act and (ii) Mr. Yoshida is independent of our Company, Directors, Chief Executive Officer, substantial Shareholders, Controlling Shareholders, each of our subsidiaries and each of their respective associates.

Mr. Mitsutoshi KATO (加藤光利) age 54
Independent non-executive Director

Mr. Kato was appointed as our independent non-executive Director with effect from 29 February 2012. He is also a member of our nomination and remuneration committees. Mr. Kato was re-appointed to the same positions on 20 June 2012.

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Mr. Kato has over 20 years' experience in the banking and financial industry in Japan, Hong Kong, the PRC and Europe. He began his career at The Bank of Tokyo Ltd. (currently known as The Bank of Tokyo Mitsubishi UFJ Ltd.) in April 1982. In April 1988, he was seconded to Kincheng-Tokyo Finance Company Limited as a manager for a period of two years until February 1990, when he joined Banque Indosuez (currently known as Credit Agricole Corporate and Investment Bank). Mr. Kato had since held various positions at the Tokyo branch of Credit Agricole Indosuez, including the first vice president of the corporate finance department and the head of the project & structured finance department. He left Credit Agricole CIB in August 2005, and is currently the representative director and chief financial officer of Eco-Material Corporation, a Sino-Japanese clean technology venture in Japan.

Mr. Kato graduated from the State University of New York at Stony Brook with a bachelor's degree in arts, major in political science, in May 1980. Mr. Kato has not been a director of any public company the securities of which are listed on the securities market in Hong Kong or overseas in the three years immediately preceding the date of this Prospectus.

Mr. Thomas Chun Kee YIP (葉振基) age 51

Independent non-executive Director

Mr. Yip was appointed as our independent non-executive Director on 29 February 2012. He is also a member of our audit committee. Mr. Yip was re-appointed to the same positions on 20 June 2012.

Mr. Yip has obtained around 29 years' experience in accounting, auditing and financial reporting. He is a fellow of the Hong Kong Institute of Certified Public Accountants and an associate of the Institute of Chartered Accountants in Australia. He is also a member of the Society of Chinese Accountants and Auditors, an associate of The Taxation Institute of Hong Kong, and a certified tax adviser in Hong Kong.

Mr. Yip began his professional career in accounting at Touche Ross & Co. Hong Kong, the predecessor of Deloitte Touche Tohmatsu in May 1984. In January 1986, he moved to Sydney and served as a senior accountant at Price Waterhouse Sydney. Mr. Yip returned to Hong Kong in December 1988 and joined the Hong Kong office of Price Waterhouse, where he spent around five years before being promoted to senior manager, audit in July 1994. Mr. Yip left the firm in December 2001 and continued his career as a principal and subsequently as a director at CCIF CPA Limited. In March 2008, he assumed his current position as a practising director of AIP Partners C.P.A. Limited, where he specialises in providing auditing, tax and accounting advice to Japanese clients.

Mr. Yip graduated from the University of Sydney with a bachelor's degree in economics in April 1984. With his current and previous positions in AIP Partners C.P.A. Limited and other professional accounting firms, our Directors are of the view that Mr. Yip possesses the appropriate professional qualifications and accounting and financial management expertise in compliance with Rule 3.10(2) of the Listing Rules. Our Directors confirm that, during the one year immediately prior to Mr. Yip's appointment as an independent non-executive Director of our Company, AIP Partners C.P.A. Limited has not been providing professional services to our Company, members of our Group, our Controlling Shareholders, or any of their respective associates. In the three years immediately preceding the date of this Prospectus, Mr. Yip has not been a director of a public company the securities of which are listed on a securities exchange in Hong Kong or overseas.

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DYH Outside Directorship

During the Track Record Period, each of Mr. Horiba, Mr. Takano and Mr. Yoshida have served as an outside director (*shagai torishimariyaku* 社外取締役) of DYH, a connected person of our Company under the Listing Rules (the “DYH Outside Directorship”).

Rule 3.13(7) of the Listing Rules provides that the independence of a proposed independent non-executive Director would be impaired where he is, or has at any time during the two years immediately prior to his proposed appointment, been, an executive or director of our Company, our holding company or any of our subsidiaries or of any connected persons of our Company. Rule 3.13(7), however, would not apply to any independent non-executive directorship previously held by a proposed independent non-executive Director.

As advised by our Japan Legal Adviser, the meaning of “outside director” (*shagai torishimariyaku* 社外取締役) under the Companies Act differs from that of “independent non-executive director” under the Listing Rules. An outside director is defined under the Companies Act as a director who (a) is neither an executive director nor an executive officer, nor an employee, including a manager, of a company or any of its subsidiaries and (b) who has never been an executive officer, or an employee, including a manager, of a company or any of its subsidiaries. There is no restriction under the Companies Act and within the defined meaning of outside directors over the following areas which would otherwise be restricted under the Listing Rules for an independent non-executive director:

- (i) **shareholding:** while the Listing Rules generally prohibit an independent non-executive director from being interested in 1% or more of the total issued share capital of the relevant company and received interests in the relevant company as gifts or by means of financial assistance under Rules 3.13(1) and 3.13(2), the Companies Act has no such requirement for outside directors;
- (ii) **professional adviser:** while the Listing Rules generally prohibit a partner, director, principal or employee of a professional adviser to the relevant company from being appointed as an independent non-executive director within one year of the proposed appointment date under Rule 3.13(3), the Companies Act has no such requirement for outside directors;
- (iii) **material interests:** while under the Listing Rules the independence of an independent non-executive director would be called into question if he has a material interest in any principal business activity of the relevant company under Rule 3.13(4), the Companies Act has no such requirement for outside directors;
- (iv) **intention:** the Listing Rules generally prohibit an independent non-executive director from being appointed to the board of the relevant company to protect the interests of an entity the interests of which are not the same as those of the relevant shareholders as a whole under Rule 3.13(5), the Companies Act has no such requirement for outside directors;
- (v) **connection with connected persons:** under the Listing Rules, an independent non-executive director would generally be prohibited from being or being connected to a chief executive, director or a substantial shareholder of the relevant company within two years of the proposed appointment date under Rule 3.13(6). The Companies Act has no such requirement for outside directors;

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- (vi) **financial dependence:** the Listing Rules generally prohibit an independent non-executive director from being financially dependent on the relevant company, its holding company or any of their respective subsidiaries or connected person of the relevant company. The Companies Act has no such requirement for outside directors; and
- (vii) **directorship in connected persons:** the Companies Act does not restrict an outside director from being a director or executive of the relevant company, its holding company, any of their subsidiaries or any connected person of the relevant company which would otherwise be prohibited under the Listing Rules.

Notwithstanding the difference of meaning of “independent non-executive directors” and “outside directors”, and based on the hypothesis that DYH is a listed company on the Stock Exchange governed by the Listing Rules, the DYH Outside Directorship would be construed and classified as independent non-executive directorship under Rule 3.13 as none of Mr. Horiba, Mr. Takano and Mr. Yoshida:

- (i) held more than 1% of the entire issued share capital of DYH nor received any interests in DYH as a gift or any mean of financial assistance;
- (ii) was a director, partner, principal or employee of a professional adviser to DYH;
- (iii) had a material interest in any of the principal business activities of DYH;
- (iv) was on the DYH Board to protect the interests of any entity other than the DYH Shareholders as a whole;
- (v) was connected with a director, chief executive or substantial shareholder of DYH, its holding company, any of their respective subsidiaries or any connected persons of DYH;
- (vi) was a director or executive of DYH, its holding company, any of their respective subsidiaries or any connected persons of DYH; and
- (vii) was financially dependent on DYH, its holding company, any of their respective subsidiaries or any connected persons of DYH,

at all times during the DYH Outside Directorship.

Based on the foregoing, our Directors are of the view, and the Joint Sponsors affirm, that the DYH Outside Directorship does not impair the independence of each of Mr. Horiba, Mr. Takano and Mr. Yoshida under Rule 3.13(7) of the Listing Rules. Our Directors further confirm that each of Mr. Horiba, Mr. Takano and Mr. Yoshida has satisfied the independence requirements under Rule 3.13(1)–(6) and Rule 3.13(8) of the Listing Rules.

See “Statutory and General Information — D. Further information about Directors, management and staff — 1. Particulars of Directors’ service agreements” in Appendix V to this Prospectus for further information on our Directors’ service agreements.

Save as disclosed in this Prospectus, there is no other information in respect of each of our Directors that is required to be disclosed pursuant to Rule 13.51(2)(a) to (v) of the Listing Rules and there is no other material matter relating to our Directors that needs to be brought to the attention of our Shareholders.

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Executive Officers

Our Company is required to appoint a minimum of one Executive Officer, comprising one Chief Executive Officer (*daihyo shikkoyaku* 代表執行役). Under the Companies Act, our Chief Executive Officer (*daihyo shikkoyaku* 代表執行役) is the legal representative of our Company with the authority to sign and effect agreements for and on behalf of our Company.

Our Executive Officers are key members of our senior management. Unlike our Directors, who are chiefly responsible for formulating business strategies, our Executive Officers directly manage the day-to-day operations of our Group and implement the business strategies devised by our Directors. Pursuant to our Articles of Incorporation, our Executive Officers, including our Chief Executive Officer (*daihyo shikkoyaku* 代表執行役), are elected and appointed by way of Board resolutions and are under the direct supervision of our Directors.

Our Company has five Executive Officers: one Executive Officer concurrently appointed as Director; and four Executive Officers who are not Directors. Executive Officers who are not Directors are not engaged in decision-making on material matters that are required to be resolved at a meeting of the Board of Directors under the Companies Act or our Articles of Incorporation.

Mr. Sato, who serves concurrently as our executive Director, is our Chief Executive Officer (*daihyo shikkoyaku* 代表執行役). The biographical information of Mr. Sato is contained above in the paragraphs headed “— Board of Directors” in this section above.

Below are the biographies of our Executive Officers who are not Directors:

Mr. Yukiharu UNO (宇野幸治) age 59
Executive Officer

Mr. Uno was appointed as our Executive Officer with effect from 1 January 2012. He is primarily responsible for the management of our day-to-day operations. Mr. Uno joined our Group in June 2011 as a statutory auditor (*kansayaku* 監査役) of Dynam.

Mr. Uno has obtained over 35 years' experience in banking and corporate management. He began his career in April 1976 at Dai-Ichi Kangyo Bank Limited, where he spent 26 years serving in various positions, including joint general manager of the New York branch and president of Dai-Ichi Kangyo Trust Co. of New York. Subsequently, Mr. Uno joined Mizuho Corporate Bank, Ltd. in April 2002 where he held different positions including the senior corporate officer of its asset management & transaction banking unit, as well as general manager of its Yokohama Corporate Banking Division.

Prior to his appointment at Dynam, Mr. Uno spent five years between June 2006 and June 2011 at Fujitsu Leasing Co., Ltd., a subsidiary of Fujitsu Limited, which is a computer manufacturer the shares of which are listed on the Tokyo Stock Exchange (TSE: 6702), Osaka Securities Exchange (OSE: 6702), Nagoya Stock Exchange (NSE: 6702) and London Stock Exchange (LSE: FUJ). During this period, he served in different positions, including the managing director, managing executive officer and statutory auditor (*kansayaku* 監査役) of Fujitsu Leasing Co., Ltd.

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Mr. Uno graduated from the University of Tokyo in March 1976 with a bachelor's degree in economics. Save as disclosed herein, in the three years immediately preceding the date of this Prospectus, Mr. Uno has not been a director of any public company the securities of which are listed on a securities exchange in Hong Kong or overseas.

Mr. Shizuo OKAYASU (岡安静夫) age 55

Executive Officer

Mr. Okayasu was appointed as our Executive Officer with effect from 1 January 2012. He is primarily responsible for the day-to-day management of our operations.

Mr. Okayasu joined our Group in November 2004 as a manager of the general affairs department of Dynam. Since then, he has been substantially involved in the management and operations of Dynam and other operating subsidiaries of our Group and has detailed knowledge of our business. In September 2006, he was appointed as an executive officer (*shikko yakuin* 執行役員) of Dynam and concurrently served as a general manager of its general affairs department. Subsequently, Mr. Okayasu was transferred internally to DYH as a general manager of its corporate planning and strategy department, a position he resigned from on 20 September 2011, the date of incorporation of our Company. He served as a general manager of our corporate planning and strategy department prior to his current appointment as our Executive Officer.

Mr. Okayasu spent 28 years at Sumitomo Mitsui Banking Corporation between April 1980 and October 2008. During that period, he served in various positions at a number of branches in Tokyo, and also at the head office.

Mr. Okayasu graduated from Rikkyo University in March 1980 with a bachelor's degree in sociology. In the three years immediately preceding the date of this Prospectus, Mr. Okayasu has not been a director of any public company the securities of which are listed on a securities exchange in Hong Kong or overseas. Following the completion of the Global Offering, Mr. Okayasu will be interested in 20,000 Shares in our Company.

Mr. Hirobumi YONEHATA (米畑博文) age 53

Executive Officer and joint company secretary

Mr. Yonehata was appointed as our Executive Officer with effect from 1 January 2012. He is primarily responsible for the day-to-day management of our operation. Mr. Yonehata is also our joint company secretary and is the primary contact person with Ms. Mok for the purposes of Rule 3.28 of the Listing Rules.

Mr. Yonehata has over 30 years of experience in financial management and consolidated accounting under the IFRS through his various positions in a number of international corporations. Between July 2008 and January 2012, Mr. Yonehata worked for BASF Group, a chemical company the shares of which are listed on the London Stock Exchange (LSE: BFA), the Frankfurt Stock Exchange (FWB: BAS) and the Zurich Stock Exchange (SIX: BAS). He served as the manager of finance of BASF Japan Ltd., a subsidiary of BASF Group between October 2011 and December 2011, as well as the chief financial officer of Cognis Japan Ltd., a subsidiary of BASF Group, between July 2008 and September 2011. During his service at BASF Group, Mr. Yonehata was involved in finance management affairs, including financial controlling, and accounting.

From April 1997 to June 2008, Mr. Yonehata served as a senior partner at Business Brain Showa-ota Inc., an accounting, information technology and management consulting firm the shares of which are listed on the Osaka Stock Exchange (OSE: 9658). His experience in the

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financial industry also includes senior management positions at Cobra Golf Japan Inc., a subsidiary of Cobra Golf Inc., the shares of which used to be listed on the New York Stock Exchange (NYSE: FO), and Hoya Corporation, the shares of which are listed on the Tokyo Stock Exchange (TSE: 7741). With his previous positions in various institutions, Mr. Yonehata has considerable experience in the financial management of a public company.

Mr. Yonehata joined our Group in January 2012. He graduated from Hosei University with a bachelor's degree in business administration in March 1981. In the three years immediately preceding the date of this Prospectus, Mr. Yonehata has not been a director of any public company the securities of which are listed on a securities exchange in Hong Kong or overseas.

Mr. Hisao KATSUTA (勝田久男) age 60

Executive Officer

Mr. Katsuta was appointed as our Executive Officer with effect from 1 February 2012.

Mr. Katsuta has considerable knowledge of, and 26 years of experience in, corporate management, securities and corporate finance. Upon his graduation in March 1974, he joined Oji Paper Co., Ltd. at its Tomakomai Paper Mill.

Mr. Katsuta spent 26 years at Daiwa Securities Group, beginning in Daiwa Securities Co., Ltd. in June 1985. He held several senior positions at various entities within the Daiwa Securities Group, including the resident director of the Silicon Valley office of the Daiwa Institute of Research and the managing director of Daiwa Institute of Research (Hong Kong) Ltd. During this period, Mr. Katsuta's career endeavours have taken him to different appointments within the financial industry in Japan, Hong Kong, and the US. Prior to joining our Group, Mr. Katsuta was the managing director of Daiwa Corporate Investment Asia Limited.

Mr. Katsuta graduated from the University of Tokyo with a bachelor's degree in arts in March 1974. He obtained a master's degree in business administration from Columbia University in May 1980. Mr. Katsuta is a licensed representative who is approved to carry on type 1, 4 and 6 regulated activities under the SFO. He is also qualified as a class one sales representative recognised by Japan Securities Dealers Association. In the three years immediately preceding the date of this Prospectus, Mr. Katsuta has not been a director of any public company the securities of which are listed on a securities exchange in Hong Kong or overseas.

Senior management

The following list sets forth certain information relating to the members of our senior management (other than our Directors) who are primarily responsible for the operation and management of our subsidiaries:

<u>Name</u>	<u>Age</u>	<u>Position/Title in our Group</u>
Mr. Kohei SATO (佐藤公平)	57	Member of the management strategy committee, <i>the Company</i> Representative director and president, <i>Dynam</i> Director, <i>Shinrainomori Association</i>
Mr. Kanetaka SATOH (佐藤金孝)	59	Representative director and president, <i>Okuwa Japan</i>

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Name	Age	Position/Title in our Group
Mr. Masaaki HORIGUCHI (堀口昌章)	46	Representative director and president, <i>Cabin Plaza</i>
Mr. Kuniyuki ISHIZUKA (石塚邦幸)	61	Representative director and president, <i>Daikokuten</i>
Mr. Kenichi ASAI (浅井健一)	66	Representative director and president, <i>Dynam Data</i>
Mr. Mitsuyuki SEKI (関光幸)	61	Representative director and president, <i>Dynam Land</i>
Mr. Shigeru FUKUMA (福間茂)	60	Representative director and president, <i>Dynam Advertisement</i>
Mr. Toshio SOGA (曾我稔夫)	44	Representative director and president, <i>P Trading</i>
Mr. Taro OKA (岡太郎)	51	Representative director and president, <i>Kanto Daido</i>
Mr. Haruhiko MORI (森治彦)	59	Member of the management strategy committee, <i>the Company</i> Director, <i>Dynam</i>
Mr. Hiroshi MIWA (三輪博)	63	Member of the management strategy committee, <i>the Company</i> Director, <i>Dynam</i>
Mr. Mamoru SAITO (齐藤守)	62	Member of the management strategy committee, <i>the Company</i> Director, <i>Dynam</i>
Mr. Makoto SAKAMOTO (坂本誠)	55	Member of the management strategy committee, <i>the Company</i> Director, <i>Dynam</i>

Mr. Kohei SATO (佐藤公平) age 57
Representative director and president, Dynam

Mr. Kohei SATO has been the representative director (*daihyo torishimariyaku* 代表取締役) and president of Dynam, our wholly-owned subsidiary, since June 2000. He is primarily responsible for overseeing the operation of our pachinko halls and the overall management and development of our *DYNAM* (ダイナム) brand as a leading chain operation of pachinko halls in Japan. He is also a director of Shinrainomori Association.

Mr. Kohei SATO joined Dynam in June 1995. He spent the majority of his career at Dynam and has held several senior management positions across different departments in Dynam. Between 1995 and 2000, he headed the corporate planning office and the sales department of

DIRECTORS AND SENIOR MANAGEMENT

Dynam, until he was appointed representative director (*daihyo torishimariyaku* 代表取締役) in June 2000. With his previous and current positions within Dynam, Mr. Kohei SATO has accumulated approximately 17 years of experience in the pachinko industry.

Prior to joining our Group, 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 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. Sato. He is a Sato Family Member and a Controlling Shareholder of our Company.

Mr. Kanetaka SATOH (佐藤金孝) age 59

Representative director and president, Okuwa Japan

Mr. Kanetaka SATOH has been the representative director (*daihyo torishimariyaku* 代表取締役) and president of Okuwa Japan, our wholly-owned subsidiary, since June 2010. He is primarily responsible for the overall management and development of the operations of three pachinko halls in Mie Prefecture (三重県) and Aichi Prefecture (愛知県), operating under the brand name *Yasumi Jikan* (やすみ時間).

Mr. Kanetaka SATOH joined the sales department of Dynam in March 1993 and was subsequently promoted to deputy general manager of the machines sales department of Dynam. During his stay at Dynam, he worked in different departments, including its sales department, president's office, hall sales department, and gained experience in various aspects of our pachinko hall operations. He was previously a zone manager for our operations at Koriyama (郡山市) and Sendai (仙台市). Mr. Kanetaka SATOH resigned from his positions within Dynam in May 2010, before assuming his current position at Okuwa Japan. Following the completion of the Global Offering, Mr. Kanetaka SATOH will be interested in 20,000 Shares of our Company.

Mr. Masaaki HORIGUCHI (堀口昌章) age 46

Representative director and president, Cabin Plaza

Mr. Horiguchi has been the representative director (*daihyo torishimariyaku* 代表取締役) and president of Cabin Plaza, our wholly-owned subsidiary, since November 2011. He is the head of our three pachinko halls in Fukushima Prefecture (福島県), operating under the brand *Cabin Plaza* (キャビンプラザ) as well as one pachinko hall located in Shizuoka Prefecture (静岡県), operating under the brand name *Yasumi Jikan* (やすみ時間).

Mr. Horiguchi joined Dynam in May 1989 and was subsequently promoted to deputy general manager of its machine sales department. During his years of service in Dynam, Mr. Horiguchi held various positions in a number of departments and gained substantial experience in different aspects of our pachinko hall operations, from sales and marketing to general corporate management. His local management experience includes being the zone manager for our operations in Nagoya (名古屋市), Aichi Prefecture (愛知県) and Kumamoto (熊本市), Kumamoto Prefecture (熊本県). In May 2011, Mr. Horiguchi was appointed as the general manager of the sales department in Dynam.

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Mr. Horiguchi resigned from all positions he held within Dynam before assuming his current position in Cabin Plaza. He graduated from Honda Junior Public High School in Katsusika, Tokyo in March 1981.

Mr. Kuniyuki ISHIZUKA (石塚邦幸) age 61

Representative director and president, Daikokuten

Mr. Ishizuka has been the representative director (*daihyo torishimariyaku* 代表取締役) and president of Daikokuten, our wholly-owned subsidiary, since December 2009. He oversees the operation and management of two pachinko halls in Yamanashi Prefecture (山梨県) operating under the brand name *Yasumi Jikan* (やすみ時間).

Mr. Ishizuka has served our Group for over 17 years with his extensive experience in pachinko hall operations and sales and marketing. He joined the sales department of Dynam in November 1994, and was transferred to our pachinko hall at Nishinasuno (西那須野), Tochigi Prefecture (栃木県) as its store manager in October 1995. In April 1998, he was transferred to our headquarters and became a managing director of our sales department. Between October 2000 and April 2008, he has served different senior management positions at various departments of Dynam, including sales, hall management, and hall equipment, and game machines management. In June 2008, he was seconded to P Brand Planning, one of the Dissolved Entities, as its director and was chiefly responsible for developing private brand game machines. His current appointment in Daikokuten came in December 2009.

Mr. Ishizuka holds a diploma from Nihon University Tsurugaoka Senior High School. Prior to joining Dynam, he worked at Lotteria, a large-scale restaurant chain in Japan, from July 1978 to October 1994. Following the completion of the Global Offering, Mr. Ishizuka will be interested in 100,000 Shares of our Company.

Mr. Kenichi ASAI (浅井健一) age 66

Representative director and president, Dynam Data

Mr. Asai has been the representative director (*daihyo torishimariyaku* 代表取締役) and president of Dynam Data, our wholly-owned subsidiary, since October 2003, and is primarily responsible for overseeing the provision of administrative services, such as accounting, payroll calculation, to members of our Group.

Mr. Asai joined Dynam in June 1996 as the deputy general manager of its accounting and finance department, and became the executive officer and the general manager of its accounting finance department in June 1999. In April 2003, he was promoted to several senior management positions within our Group, including director of Dynam Investment, director of Dynam Land, director of P Leasing and his current position as the director of Dynam Data. Since then, he has engaged in, and became chiefly responsible for, the accounting matters of our Group.

Mr. Asai graduated from Meiji University in March 1968 with a bachelor's degree in arts. He began his career at Sumisho Oil Corporation, where he worked for 28 years. Following the completion of the Global Offering, Mr. Asai will be interested in 512,000 Shares of our Company.

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Mr. Mitsuyuki SEKI (関光幸) age 61

Representative director and president, Dynam Land

Mr. Seki has been the representative director (*daihyo torishimariyaku* 代表取締役) and president of Dynam Land, our wholly-owned subsidiary, since June 2010. He is primarily responsible for the management and administration of our staff quarters and properties occupied by our Group.

Mr. Seki joined our Group in July 1999 initially as a secondee from Saitama Bank Ltd., from which he resigned in September 2001. Upon his departure, he worked as the general manager of the corporate planning department in Dynam until he was promoted to its executive officer in September 2006. During this period, he was involved in the implementation and formulation of the expansion strategies of our network of pachinko halls. Following the 2006 Restructuring, Mr. Seki was promoted to the general manager of the properties administration department in Dynam in November 2006, and subsequently as the general manager of the hall development department in Dynam in July 2008. Mr. Seki specialises in property management and development of new pachinko halls. In June 2010, he assumed his current position as the representative director of Dynam Land.

Mr. Seki also has over 20 years' experience in the banking industry through his service at Saitama Bank Ltd. He graduated from Chuo University in March 1973 with a bachelor's degree in economics. Following the completion of the Global Offering, Mr. Seki will be interested in 140,000 Shares of our Company.

Mr. Shigeru FUKUMA (福間茂) age 60

Representative director and president, Dynam Advertisement

Mr. Fukuma has been the representative director (*daihyo torishimariyaku* 代表取締役) and president of Dynam Advertisement, our wholly-owned subsidiary, since July 2010. He is primarily responsible for the marketing, advertising and public relations affairs of our Group.

Mr. Fukuma joined the corporate planning department of Dynam in January 1999. Between August 2000 and June 2010, he has held several positions in various departments of Dynam, specialising in a wide range of key functions of our pachinko hall operations, including corporate planning, auditing and general affairs. From July 2003 to March 2007, he worked at the president's office and corporate planning department of Dynam, assisting the president in the strategic planning of Dynam's overall operations. During his service at Dynam, he was in charge of the corporate social responsibility program, focusing on enhancing the public relations and corporate image of Dynam. In June 2010, he resigned from his position at Dynam before he was appointed to his current position.

Mr. Fukuma began his career in April 1975 at Kyowa Hakko Kirin Co., Ltd., (formerly known as Kyowa Hakko Kogyo Co., Ltd.), a large-scale pharmaceutical company the shares of which are listed on the Tokyo Stock Exchange (TSE: 4151). Subsequently, he joined Rei Yoshimura International Inc. in January 1989 and Chuo Jutaku Co., Ltd. in November 1997. With his current and previous positions in our Group and in other institutions, Mr. Fukuma is experienced in advertising, public relations, marketing and general corporate management.

Mr. Fukuma graduated from Waseda University in March 1975 with a bachelor's degree in education. Following the completion of the Global Offering, he will be interested in 42,000 Shares of our Company.

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Mr. Toshio SOGA (曾我稔夫) age 44

Representative director and president, P Trading

Mr. Soga has been the representative director (*daihyo torishimariyaku* 代表取締役) and president of P Trading, our wholly-owned subsidiary, since June 2011. He is primarily responsible for the deployment of pachinko and pachislot game machines across our network of pachinko halls in accordance with the preferences and trends of local pachinko players.

Mr. Soga has served our Group for over 22 years. He initially joined our pachinko hall in Shibata (新発田市), Niigata Prefecture (新潟県) in October 1989, and was subsequently promoted to store manager of our pachinko hall in Joetsu (上越市), Niigata Prefecture (新潟県) in September 1994. Between February 1995 and November 1997, he was in charge of two other pachinko halls in Akita (秋田市), Akita Prefecture (秋田県) and Yonezawa (米沢市), Yamagata Prefecture (山形県). Thereafter, he left the hall operation department and specialised in the specifications, procurement and disposal of game machines. Mr. Soga has extensive experience in all aspects of our game machines trading business. He has served as a merchandiser, area chief and district manager of our operations across different geographical locations in Japan.

In July 2010, we consolidated our game machines trading business into P Trading. Consequently, Mr. Soga resigned from Dynam and was appointed as a director of P Trading in June 2011.

Mr. Taro OKA (岡太郎) age 51

Representative director and president, Kanto Daido

Mr. Oka is the representative director (*daihyo torishimariyaku* 代表取締役) and president of Kanto Daido, our wholly-owned subsidiary. He is primarily responsible for our trading business of second-hand pachinko and pachislot game machines.

Mr. Oka was appointed as the representative director (*daihyo torishimariyaku* 代表取締役) of Kanto Daido in January 2007. He remained in such position when Kanto Daido was acquired by P Leasing in July 2008. Mr. Oka began his career at Tanseisha Co., Ltd. in April 1984. Between January 1994 and April 2002, he worked for Creative Convention Centre Co., Ltd. His work in the trading of pachinko and pachislot game machines came in August 2002, when he joined the second-hand pachinko machines trading department of 3Stone Inc.

Mr. Oka graduated from Doshisha University in March 1984 with a bachelor's degree in arts.

Mr. Haruhiko MORI (森治彦) age 59

Director, Dynam

Mr. Mori has been a director of Dynam, our wholly-owned subsidiary, since 26 June 2007. He is primarily responsible in matters related to legal compliance, risk management, internal control and auditing of our Group and is the head of our internal control committee. Mr. Mori is also a member of our management strategy meeting.

Mr. Mori joined our Group in November 1998 initially in the general affairs department of Dynam. In August 2000, Mr. Mori was appointed as the head of legal department in Dynam and became chiefly responsible for legal compliance, risk management and internal control of our pachinko hall operations. In June 2002, he was promoted to executive officer (*shikko yakuin* 執行役員) of Dynam. His current position as a director of Dynam came in June 2007.

DIRECTORS AND SENIOR MANAGEMENT

Mr. Mori graduated from Senshu University in March 1984 with a bachelor's degree in law. He spent over eight years in various law firms in Tokyo, specialising in compliance with the Companies Act. Following the completion of the Global Offering, Mr. Mori will be interested in 230,000 Shares in our Company.

Mr. Hiroshi MIWA (三輪博) age 63

Director, Dynam

Mr. Miwa has been a director of Dynam, our wholly-owned subsidiary, since June 2010. He is responsible for our sales and procurement operations. Mr. Miwa joined our Group in February 2008 as a statutory auditor (*kansayaku* 監査役) of Dynam. In June 2010, he was promoted to director of Dynam and became involved in the general corporate management of our pachinko hall operations. Mr. Miwa is also a member of our management strategy meeting.

Mr. Miwa graduated from Keio University in March 1972 with a bachelor's degree in economics. He began his career at Sumitomo Mitsui Banking Corporation, where he worked in various branches and departments. He subsequently joined Daiwa SB Investments Limited from June 2002 to January 2008. With his current and previous positions held within our Group and other institutions, Mr. Miwa has obtained over 30 years of experience in banking and corporate management. Following the completion of the Global Offering, Mr. Miwa will be interested in 40,000 Shares in our Company.

Mr. Mamoru SAITO (斉藤守) age 62

Director, Dynam

Mr. Saito has been a director of Dynam, our wholly-owned subsidiary, since 26 June 2007. The principal duties of Mr. Saito include general corporate management, information technology, property management and logistics and distribution. Mr. Saito is also a member of our management strategy meeting.

Mr. Saito joined the corporate planning department of Dynam in December 1999, before he was promoted to its general manager in April 2000. Subsequently, he was promoted to executive officer (*shikko yakuin* 執行役員) of Dynam in December 2000 and as a director of Dynam in June 2007. During his employment with Dynam, Mr. Saito has been assisting Mr. Kohei SATO, the representative director (*daihyo torishimariyaku* 代表取締役) of Dynam, in formulating corporate strategies and executing business plans.

Prior to joining our Group, Mr. Saito has accumulated over 20 years of experience in the retail industry. He spent 27 years at Daiei Inc., a large-scale supermarket-chain in Japan the shares of which are listed on the Tokyo Stock Exchange (TSE: 8263). Mr. Saito graduated from Kyoto University of Education in March 1972 with a bachelor's degree in education. Following the completion of the Global Offering, he will be interested in 170,000 Shares in our Company.

Mr. Makoto SAKAMOTO (坂本誠) age 55

Director, Dynam

Mr. Sakamoto has been a director of Dynam, our wholly-owned subsidiary, since June 2011. He is in charge of our human resource management and is also a member of our management strategy meeting. Mr. Sakamoto began his career in Daiei Inc., a large-scale supermarket-chain in Japan the shares of which listed on the Tokyo Stock Exchange (TSE: 8263) upon graduation. Between September 2000 and October 2002, he worked for Big Boy Japan Co., Ltd. Thereafter, he joined Central Services System Co., Ltd in November 2002 until he left to work for Japan Sportsvision Co., Ltd from May 2003 to November 2003.

DIRECTORS AND SENIOR MANAGEMENT

Mr. Sakamoto joined our Group in February 2004. He was promoted to the manager of the personnel department of Dynam in September 2005, a position he currently holds along with his other duties within our Group. In September 2006, he was promoted to executive officer (*shikko yakuin* 執行役員) of Dynam. With his current and previous positions held within our Group and other institutions, Mr. Sakamoto is experienced within the field of human resources management.

Mr. Sakamoto graduated from Waseda University in March 1980 with a bachelor's degree in social sciences. Following the completion of the Global Offering, he will be interested in 22,000 Shares in our Company.

JOINT COMPANY SECRETARIES

Mr. Hirobumi YONEHATA (米畑博文) age 53
Executive Officer and joint company secretary

See “Senior management — Executive Officers” in this section above.

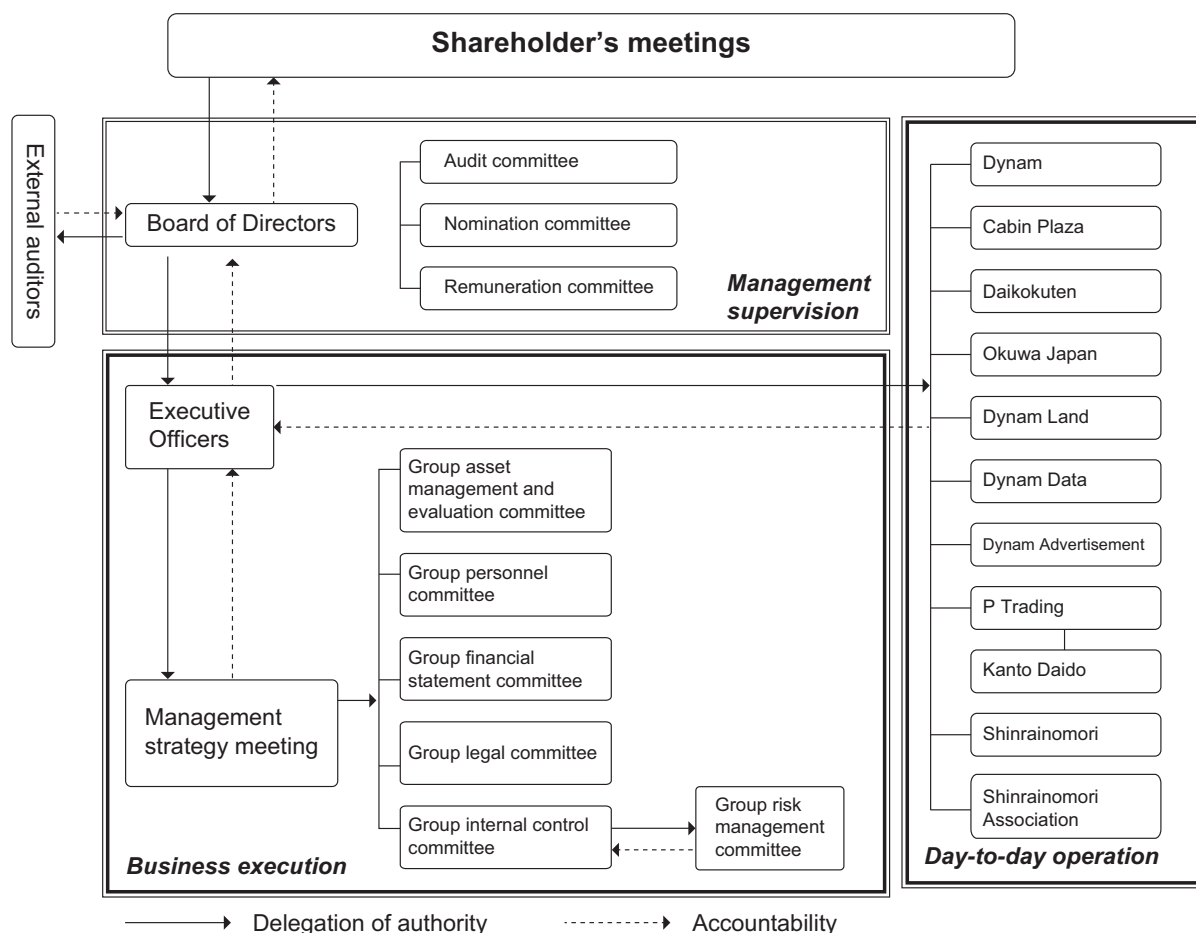
Ms. Ming Wai MOK (莫明慧) age 41
Joint company secretary

Ms. Mok was appointed as the joint company secretary of our Company on 20 June 2012. Ms. Mok is a director of KCS Hong Kong Limited, a corporate secretarial and accounting services provider in Hong Kong. She has over 15 years of professional and in-house experience in the company secretarial field. She is a fellow member of the Hong Kong Institute of Chartered Secretaries and the Institute of Chartered Secretaries and Administrators in the United Kingdom. Ms. Mok serves as a joint company secretary of a number of public companies including Shanghai Pharmaceuticals Holdings Co., Ltd. (HKSE: 2607), Huaneng Renewables Corporation Limited (HKSE: 0958), New China Life Insurance Company Ltd (HKSE: 1336), China Hanking Holdings Limited (HKSE: 3788), Huadian Fuxin Energy Corporation Limited (HKSE: 0816) and Xiao Nan Guo Restaurants Holdings Limited (HKSE: 3666), and also acts as the sole company secretary of a number of public companies including C.banner International Holdings Limited (HKSE: 1028), Tenfu (Cayman) Holdings Company Limited (HKSE: 6868), SPT Energy Group Inc. (HKSE: 1251) and Kai Shi China Holdings Company Limited (HKSE: 1281).

DIRECTORS AND SENIOR MANAGEMENT

CORPORATE GOVERNANCE

The following chart sets forth our organisational structure, which reflects our corporate governance regime:



Under the Companies Act, a stock company (*kabushiki-gaisha* 株式会社) is required to adopt either (a) statutory auditors (*kansayaku* 監査役) or a board of statutory auditors, the primary function of which is to supervise and audit the executive actions of the Directors or (b) a Three-Committee system by establishing a nominating committee, a remuneration committee, and an audit committee. A vast majority of the companies listed on the Tokyo Stock Exchange have the Three-Committee system in place. In addition, the Listing Rules require a listed issuer to establish an audit committee and a remuneration committee, and the Corporate Governance Code requires the establishment of a nomination committee. To ensure management transparency and sound corporate governance, our Directors decided to adopt the Three-Committee system at the date of our incorporation.

Unlike a statutory auditor system where directors perform executive functions, our corporate governance enables the management supervisory function of our Directors to be separate from the business-execution functions of our Executive Officers. Under our corporate governance regime, the primary decision-making body is our Board of Directors, the role of which is primarily supervisory and strategic. Our Executive Officers are entrusted by our Board of Directors with tasks of business execution, which are subject to the oversight of our Board of Directors and the supervision of our audit committee. The majority of our Directors do not serve as Executive Officers, which reinforces the supervisory function of our Board of Directors.

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Our organisational structure consists of a holding company (our Company), business companies and common function companies. Dynam, Okuwa Japan, Cabin Plaza, Daikokuten, Kanto Daido, Shinrainomori and P Trading are our business companies, which carry out the business activities of our Group. Dynam Land, Dynam Data, and Dynam Advertisement are common function companies that provide administrative services to our business function companies. The heads of each of our business segments are also the representative directors (*daihyo torishimariyaku* 代表取締役) and presidents of their respective business function companies, having the authority necessary to directly execute business activities within their scope of responsibility. They are accountable to our Executive Officers, who report directly to our Board. Hence, our Company is able to concentrate on management and governance with greater leadership ability, which enhances the effectiveness and efficiency of our corporate governance as a whole. Shinrainomori Association is a non-profit organisation separately managed by its two directors, Mr. Sato and Mr. Kohei SATO.

To enhance the operational efficiency, our Executive Directors convene management liaison meetings every other month with the representative directors (*daihyo torishimariyaku* 代表取締役) and presidents of our subsidiaries to share business information, develop synergies among our subsidiaries, and discuss management direction. In addition, our Chief Executive Officer (*daihyo shikkoyaku* 代表執行役) also convenes monthly business report meetings separately with representatives from each of our subsidiaries to obtain a detailed understanding of the day-to-day business operations of our Group.

We recognise the importance of building, maintaining and improving upon a corporate governance regime that is transparent, fair and shareholder-oriented. Our Shareholders elect and appoint our Board of Directors, which in turn appoints our Executive Officers (including our Chief Executive Officer (*daihyo shikkoyaku* 代表執行役)), whose executive actions are ultimately accountable to our Shareholders. Our general corporate strategies are formulated by our Board of Directors and implemented by our Executive Officers in our day-to-day operations. In order to facilitate timely and flexible responses to major changes in our business environment, our Board of Directors convenes once a month pursuant to our Articles of Incorporation to make decisions on important matters and monitor the execution of business decisions. In addition, our Company has five independent non-executive Directors who have a high degree of independence and no conflicts of interest with general stakeholders, representing a majority in our Board, thereby strengthening the monitoring of the management of our Group.

Our Directors believe that we have established a sound corporate governance regime with the Three-Committee system that is in compliance with the requirements under the Companies Act and the Listing Rules, adopting the good corporate governance practices recommended in Appendix 14 of the Listing Rules in all material aspects.

Compliance with the Corporate Governance Code

Our Company complies or intends to comply with the Corporate Governance Code in Appendix 14 to the Listing Rules except for code provision A.2.1, requiring the roles of chairman and chief executive be in different individuals.

Under code provision A.2.1, the roles of chairman and chief executive should be separate and should not be performed by the same individual. Mr. Sato currently holds both positions. Throughout our business history of over four decades, Mr. Sato has been the key leadership figure of our Group who has been primarily involved in formulation of business strategies and determination of the overall direction of our Group. He has also been chiefly responsible for our Group's operations as he directly supervises our Executive Officers. Taking into account the continuation of the implementation of our business plans, our Directors (including our

DIRECTORS AND SENIOR MANAGEMENT

independent non-executive Directors) consider Mr. Sato the best candidate for both positions and the present arrangements are beneficial and in the interests of our Company and our Shareholders as a whole.

Our Directors will review our corporate governance policies and compliance with the Corporate Governance Code each financial year and comply with the “*comply or explain*” principle in our corporate governance report which will be included in our annual reports upon the Listing.

BOARD COMMITTEES

The Board delegates certain responsibilities to our Three Committees. In accordance with the Companies Act, the Listing Rules, our Articles of Incorporation and the relevant laws and regulations in Hong Kong and Japan, we have formed the following Three Committees:

Audit committee

We established an audit committee pursuant to the Companies Act on 20 September 2011. In preparation for the Listing, we adopted written terms of reference in compliance with paragraph C3 of the Corporate Governance Code as well as Rule 3.22 of the Listing Rules on 20 June 2012. Our audit committee consists of three independent non-executive Directors, namely Mr. Takano (chairman) and Mr. Yoshida and Mr. Yip. The primary duties of our audit committee are to assist our Board in providing an independent view of the effectiveness of our financial reporting process, internal control and risk management system, overseeing the audit process and performing other duties and responsibilities as assigned by our Board. Our audit committee also monitors our Directors in fulfilling their fiduciary duties.

We believe that the composition and the function of our audit committee complies with the applicable requirements of the Stock Exchange. We intend to comply with future requirements to the extent that they become applicable.

Remuneration committee

We established a remuneration committee pursuant to the Companies Act on 20 September 2011. In preparation for the Listing, we adopted written terms of reference in compliance with paragraph B1 of the Corporate Governance Code as well as Rule 3.26 of the Listing Rules on 20 June 2012. Our remuneration committee consists two independent non-executive Directors, namely Mr. Horiba (chairman) and Mr. Kato, and one executive Director, namely Mr. Sato. The primary duties of our remuneration committee are to evaluate the performance of our Directors and senior management, determine the remuneration package of our Directors and senior management, and evaluate and make recommendations on employee benefits arrangements.

Nomination committee

We established a nomination committee pursuant to the Companies Act on 20 September 2011. In preparation for the Listing, we adopted written terms of reference in compliance with paragraph A5 of the Corporate Governance Code on 20 June 2012. Our nomination committee consists of two independent non-executive Directors, namely Mr. Horiba (chairman) and Mr. Kato, and one executive Director, namely Mr. Sato. The primary duties of our nomination committee are to make recommendations to our Shareholders on the appointment of our Directors and senior management.

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We have limited the number of executive Directors in each of our Three Committees to one, representing a minority in each of these committees, as a means to enhance transparency and protection of independent Shareholders.

Sub-committees

Under the relevant laws and regulations in Japan, we are not required to have any statutory sub-committees of our Board of Directors. However, to enhance our corporate governance, we have certain non-statutory sub-committees in place. Except for our Group risk management committee, all of our sub-committees report to, and consult with, Mr. Sato, our Chief Executive Officer (*daihyo shikkoyaku* 代表執行役).

Management strategy meeting

We established a management strategy meeting, a sub-committee with written regulations adopted by the Board of Directors on 28 September 2011. Our management strategy meeting consists of six members, including Mr. Sato, our executive Director, chairman of our Board and Chief Executive Officer (*daihyo shikkoyaku* 代表執行役), Mr. Kohei SATO, the representative director (*daihyo torishimariyaku* 代表取締役) of Dynam, as well as Mr. Mori, Mr. Hiroshi MIWA, Mr. Mamoru SAITO and Mr. Makoto SAKAMOTO, each being a director of Dynam and a member of our senior management.

See “— Board of Directors” and “— Senior management” for further information on the qualification and experience of the members of our management strategy meeting. All members of our management strategy meeting have extensive experience and substantial knowledge in our Group’s business operations. The management strategy meeting is our primary body overseeing the implementation of the strategies formulated by our Board. The primary duties of our management strategy meeting are to assist our Chief Executive Officer in fulfilling its executive functions. Information in relation to our business operations that is material to our Group as a whole is gathered, discussed and resolved at our management strategy meeting.

Our management strategy meeting reports directly to our Chief Executive Officer (*daihyo shikkoyaku* 代表執行役). Mr. Sato was appointed as the chairman of our management strategy meeting.

To enhance the efficiency in handling significant business issues, we have established six specialised ancillary sub-committees under our management strategy meeting:

- (1) **Group asset management and evaluation committee** — this committee was established on 28 September 2011 with written regulations adopted by our Chief Executive Officer (*daihyo shikkoyaku* 代表執行役). The primary responsibilities of our group asset management and evaluation committee include formulating strategies to (i) effectively utilise our tangible and intangible assets; (ii) identify and establish criteria for finding suitable sites to expand our network of pachinko halls; (iii) evaluate and make decision on strategic acquisitions of property and land and (iv) establish standardised business models. Our group assets management and evaluation committee convenes once a month and reports directly to our management strategy meeting. Our asset management and evaluation committee is chaired by Mr. Sato, our executive Director, chairman of our Board and Chief Executive Officer (*daihyo shikkoyaku* 代表執行役) and consists of six members.
- (2) **Group personnel committee** — this committee was established on 28 September 2011 with written regulations adopted by our Chief Executive Officer (*daihyo shikkoyaku* 代表執行役). The primary responsibilities of our group personnel

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committee include (i) deployment of our staff members and assignment of work responsibilities; (ii) establishment of educational and training systems to prepare our staff members for future growth; and (iii) evaluation of our organisational structure with a view to control labour expenses. Our group personnel committee convenes once a month and reports directly to our management strategy meeting. Our personnel committee is chaired by Mr. Makoto SAKAMOTO, a director of Dynam and a member of our management strategy meeting, and consists of 11 members.

- (3) **Group financial statement committee** — this committee was established on 28 September 2011 with written regulations adopted by our Chief Executive Officer (*daihyo shikkoyaku* 代表執行役). The primary responsibilities of our group financial statement committee include enhancing our corporate governance by (i) independently reviewing our corporate documentation and financial statements; (ii) formulating corporate accounting policies for our Group; and (iii) dealing with any issue that arises out of our auditing procedures. Our group financial statement committee convenes once a month and reports directly to our management strategy meeting. Our group financial statement committee is chaired by Mr. Seiji OBE, general manager of Dynam's finance department, and consists of seven members.
- (4) **Group legal committee** — this committee was established on 28 September 2011 with written regulations adopted by our Chief Executive Officer (*daihyo shikkoyaku* 代表執行役). The primary responsibilities of our group legal committee include (i) providing professional opinions on any legal issue that may arise out of our business operations; and (ii) providing our senior management with legal knowledge that is essential to their decision-making process, such as updates on recent legal development. Our group legal committee convenes once a month and reports directly to our management strategy meeting. Our legal committee is chaired by Mr. Mori, a director of Dynam and member of our management strategy committee, and consists of two members.
- (5) **Group internal control committee** — this committee was established on 28 September 2011 with written regulations adopted by our Chief Executive Officer (*daihyo shikkoyaku* 代表執行役). The primary responsibilities of our group internal control committee are to formulate an internal reporting system for risk management and compliance issues, as well as to minimise violations of laws, regulations and our Articles of Incorporation. This is achieved by (i) reviewing the operations of our Group in compliance with our internal guidelines and procedures and business improvement system, and recommending measures for business improvements and its implementation system; (ii) identifying operational defaults that may potentially result in legal or regulatory non-compliance; (iii) establishing procedures to minimise the occurrence of operational risks; and (iv) reviewing and improving our internal control procedures. Our internal control committee convenes once a month and reports directly to our management strategy meeting. Our Group internal control committee is chaired by Mr. Mori, a director of Dynam and member of our management strategy committee, and consists of five members.
- (6) **Group risk management committee** — this committee was established by our Group internal control committee on 28 September 2011 and reports directly to our Group internal control committee. Our group risk management committee is responsible for assessing and evaluating the types of risks faced by us in our operations, including money laundering risks and risks associated with compliance with the Three Party System. Our group risk management committee reviews these risks and the results of

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our internal audit activities and submits its reports to our audit committee once a month. It is chaired by Mr. Mori, a director of Dynam and member of our management strategy committee, and consists of three members.

See “Internal Controls and Anti-money Laundering” for further information on our internal controls and risk management procedures.

DIRECTORS' REMUNERATION

During the Track Record Period, no emoluments were paid by our Group to our Directors for the two years ended 31 March 2010 and 2011 and the six months ended 30 September 2011 as their emoluments were paid by DYH and were not changed to our Group during these periods. The emoluments of our Directors borne by DYH were approximately ¥457 million, ¥514 million and ¥278 million (equivalent to approximately HK\$26 million), respectively, for each of the two years ended 31 March 2010 and 2011 and the six months ended 30 September 2011. For the six months ended 31 March 2012, the emoluments paid to our Directors by our Company were approximately ¥48.9 million (equivalent to approximately HK\$4.6 million).

During the Track Record Period, no remuneration was paid by our Group to, or receivable by, our Directors or the five highest paid individuals as an inducement to join or upon joining our Group. No compensation was paid by our Group to, or receivable by, our Directors or the five highest paid individuals for the years ended 31 March 2010, 2011 and 2012 for the loss of any office in connection with the management of the affairs of any subsidiary in our Group. In addition, none of our Directors waived any emolument for any of the last three years.

Save as disclosed above, no other payment has been paid or is payable, by our Company or any of our subsidiaries to our Directors and the five highest paid individuals during the Track Record Period.

Under the remuneration policy of our Company, our remuneration committee will consider factors such as salaries paid by comparable companies, time commitment, responsibilities and performance of our Directors and senior management as the case may be, in assessing the amount of remuneration payable to our Directors and such employees. We expect to incur approximately ¥67.7 million (equivalent to approximately HK\$6 million) per annum in emoluments after the Listing.

Our Directors anticipate that our remuneration committee will periodically review the compensation levels of key executives of our Group. Based on our Group's performance and the executives' respective contribution to our Group, our remuneration committee may, within the aggregate remuneration amount approved by a Shareholders' meeting of our Company, make recommendations to our Board of Directors as to salary increases or payments of discretionary bonuses.

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JOINT COMPLIANCE ADVISERS

We intend to appoint Shenyin Wanguo Capital (H.K.) Limited and Piper Jaffray Asia Limited as our joint compliance advisers pursuant to Rule 3A.19 of the Listing Rules. Pursuant to Rule 3A.23 of the Listing Rules, the joint compliance advisers will advise us in the following circumstances:

- (a) before the publication of any regulatory announcement, circular or financial report;
- (b) where a transaction, which might be notifiable or connect transaction under the Listing Rules, is contemplated including share issue and share repurchases;
- (c) where we propose to use the proceeds of the Global Offering in a manner different from that detailed in this Prospectus or where our Group's business activities, developments or results of operations deviate from any forecast, estimate or other information in this Prospectus; and
- (d) where the Stock Exchange makes an inquiry of our Company regarding unusual movements in the price or trading volume of the Shares.

The term of the appointment will commence on the Listing Date and end on the date on which we comply with Rule 13.46 of the Listing Rules in respect of our financial results for the first full financial year commencing after Listing.

WAIVERS GRANTED BY THE STOCK EXCHANGE

Waiver from Rule 8.12 of the Listing Rules

We have applied to the Stock Exchange, and the Stock Exchange has granted, a waiver from strict compliance with the requirements of management presence in Hong Kong under Rule 8.12 of the Listing Rules. For details of the waiver, see "Waivers — Management presence in Hong Kong" in this Prospectus.

Waiver from Rules 3.28 and 8.17 of the Listing Rules

We have applied to the Stock Exchange, and the Stock Exchange has granted, a waiver from strict compliance with the requirements on the qualifications of company secretary under Rules 3.28 and 8.17 of the Listing Rules. For details of the waiver, see "Waivers — Company secretary" in this Prospectus.

DIRECTORS' INTERESTS

Mr. Sato, our executive Director, chairman of our Board and Chief Executive Officer (*daihyo shikkoyaku* 代表執行役), is our Controlling Shareholder. He also has a controlling stake in the Remaining DYH Group, which has some degree of connection to our business. Our Directors believe that the Retained Businesses carried out by the Remaining DYH Group does not compete, and is not likely to compete, either directly or indirectly, with our business. See "Relationship with our Controlling Shareholders" for further information.

Save as disclosed herein, our Directors are not engaged in any business which competes or is likely to compete, either directly or indirectly, with our business under Rule 8.10(2) of the Listing Rules.