

**DYNAM JAPAN HOLDINGS COMPANY LTD:
JAPAN'S PACHINKO 'MOGUL' IS SUED IN HONGKONG,
ALONG WITH HIS PUBLICLY LISTED COMPANY**

Publicly listed Dynam Japan Holdings Company Ltd () (Code 6889, Main Board, The Stock Exchange of Hongkong Ltd) and its Chairman, Mr Yoji Sato (), have been sued in the High Court of the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC) by an investment fund, incorporated in the Cayman Islands.

On the same day – March 3, 2014 – that Action Number 358 of 2014 was lodged in the HKSAR, High Court against Dynam Japan Holdings and its Chairman, the company, Mr Yoji Sato and Messrs Yukiharu Uno () and Seiji Ohbe, being a former executive officer of Dynam Japan Holdings and an employee of the company, issued legal proceedings in The Tokyo District Court against the same investment fund, to wit: Evo Fund.

Dynam Japan Holdings issued the following announcement in the HKSAR in respect of the above legal matters:

DYNAM JAPAN HOLDINGS Co., Ltd.
(incorporated in Japan with limited liability)
(Stock Code: 06889)

**'ANNOUNCEMENT
LAWSUIT BROUGHT BY EVO FUND AGAINST, INTER ALIA,
THE COMPANY IN HONG KONG and LAWSUIT BROUGHT BY,
INTER ALIA, THE COMPANY AGAINST EVO FUND IN JAPAN**

*'This announcement is made by (DYNAM JAPAN HOLDINGS Co., Ltd.)
("Company") pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of
Securities on the Stock Exchange of Hong Kong Limited ("Listing Rules") and the
Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of
the Securities and Future Ordinance (Cap. 571 of the Laws of Hong Kong).*

*'The board of directors ("Board") of the Company wishes to announce that, on 3
March 2014, the Company had received a writ of summons together with the statement
of claim ("HK Lawsuit") filed by Evo in the high court, Hong Kong, pursuant to
which Evo initiated legal action against Mr. Sato ("Individual HK Lawsuit
Defendant") and the Company (Mr. Sato and the Company are collectively called the
"HK Lawsuit Defendants") for allegedly (i) unlawfully inducing breaches of YN Block
Sale Agreement and KS Block Sale Agreement respectively by Ms. Yaeko Nishiwaki
("YN") and Mr. Kiyotaka Sato ("KS") and/or (ii) wrongfully interfering with Evo's
economic interest in the said agreements. Pursuant to the HK Lawsuit, Evo seeks
against the HK Lawsuit Defendants for:*

(1) damages;

(2) an order for payment by the HK Lawsuit Defendants to Evo of all sums found due and interest;

(3) costs and any further or other relief.

‘The KS Block Sale Agreement and YN Block Sale Agreement were entered into in Japan by the parties thereto and are governed by Japanese law. Evo has already commenced legal action in the Tokyo District Court, Japan against KS and YN for their alleged breach of KS Block Sale Agreement and YN Block Sale Agreement respectively.

‘The Company has sought legal advice from its legal advisers regarding the HK Lawsuit. The Company is of the view that the HK Lawsuit brought against the Company is misconceived and without merits and the Company denies all allegations made against it in the HK Lawsuit. The Company will respond appropriately by taking such actions as it may be advised by its legal advisers in relation to the HK Lawsuit against it.

‘The Individual HK Lawsuit Defendant has confirmed with the Board that he shall retain legal representation separate from the legal representation retained by the Company in relation to the HK Lawsuit.

*‘Without in any way limiting the actions to be taken by the Company in relation to HK Lawsuit, the Company, Mr. Sato, Mr. Uno, and Mr. Ohbe (collectively called “**Japan Lawsuit Plaintiffs**”)) have, on 3 March 2014, filed a lawsuit (“**Japan Lawsuit**”) against Evo in the civil section of the Tokyo District Court, Japan, claiming for judicial decisions which:*

1. confirms that Japan Lawsuit Plaintiffs are not liable for damages arising from their alleged interruption of or unreasonable interference to KS’s performance of KS Block Sale Agreement;

2. confirms that Japan Lawsuit Plaintiffs are not liable for damages arising from their alleged interruption of or unreasonable interference to YN’s performance of YN Block Sale Agreement; and

3. orders that Evo shall bear the costs of Japan Lawsuit.

‘The Company will keep the shareholders of the Company and potential investors informed of any further material development in connection with the HK Lawsuit and the Japan Lawsuit and further announcement(s) will be made as and when appropriate.

‘Shareholders of the Company and potential investors are advised to exercise caution when dealing in the Shares.

In this announcement, unless the context otherwise requires, the following terms shall have the following meanings:

“Evo”

Evo Fund, an investment fund incorporated in the Cayman Islands acting through Evolution Investment Advisors, Ltd.;

“Hong Kong”

The Hong Kong Special Administrative Region;

“KS Block Sale Agreement” an agreement dated 1 October 2013 between Evo and KS as amended by a supplemental agreement dated 17 October 2013 between the same parties relating to an option of Evo to purchase up to 7,000,000 Shares from KS;

“Mr. Ohbe”

Mr. Seiji Ohbe, an employee of the Company;

“Mr. Sato”

Mr. Yoji Sato, executive director of the Company;

“Mr. Uno”

Mr. Yukiharu Uno, a former executive officer of the Company;

“Shares”

shares in the capital of the Company; and

“YN Block Sale Agreement” an agreement dated 27 September 2013 between Evo and YN as amended by a supplemental agreement dated 10 October 2013 between the same parties relating to an option of Evo to purchase up to 23,000,000 Shares from YN.

By order of the Board

(DYNAM JAPAN HOLDINGS Co., Ltd.)

Kohei SATO

Chief Executive Officer

The HKSAR Writ of Summons

Evo Fund (the Plaintiff of HKSAR, Writ of Summons, Number 358) describes itself as an investment fund, incorporated in the Cayman Islands, acting through Evolution Investment Advisors Ltd ... [CLICK TO ORDER FULL ARTICLE](#)

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