

Fiscal 2024 Konami Group Interim Report

April 1, 2023 – September 30, 2023

KONAMI GROUP CORPORATION

To Our Shareholders

I sincerely hope that this report finds our shareholders in good health and happiness. I would like to express my genuine appreciation for your continued and generous support.

Four years have passed since the onset of the COVID-19 pandemic, and many restrictions were eased commencing this fiscal year, leading to a resurgence in more active lifestyles. In the first half of fiscal 2024, KONAMI's business continued to recover from the effects of the COVID-19 pandemic, and the Company's leading IP assets performed stably, with year-on-year increases in profit. March 2023 marked the 50th anniversary of KONAMI's establishment, and we are pleased to say that the Company has made a promising start toward the next fifty years of growth.

The KONAMI Group is implementing various measures to ensure its future growth. In the entertainment field, the announcement of the reboot of the METAL GEAR series, one of our globally popular IP assets, elicited a huge response. We will continue revitalizing content from our abundant library of IP assets loved by customers around the world. We will also continue to take on the challenge of utilizing next-generation technologies and such services as artificial intelligence (AI), fifth and sixth generation mobile communications (5G/6G), virtual and augmented reality (VR/AR), non-functional tokens (NFTs), Web3.0, and the metaverse. As one part of this, we announced various initiatives in the Web3.0 field, including projects aimed at offering new game experiences using blockchain technology as well as an NFT marketplace that simplifies complicated procedures with our proprietary systems. In the sports field, Pilates Mirror, our pilates studio brand for women, is performing strongly, and we are accelerating the opening of more studios in fiscal 2024. As of November 2023, we have expanded to

twenty locations, and we plan to continue expanding rapidly going forward.

In addition to proactively expanding in these promising fields, we will continue to strengthen investment in human capital and health management, both of which are essential to realize growth over the long term. The KONAMI Group will continue to quickly respond to changes, take on challenges, and strive for sustainable growth in order to stay on the crest of the wave.

Also, continuing on from last year, we will maintain the interim dividend at ¥62.0 per share, our highest level to date. We will work to further enhance our business performance, thereby enhancing dividends.

As we work toward this goal, we would like to ask for the continued support of all of our shareholders.



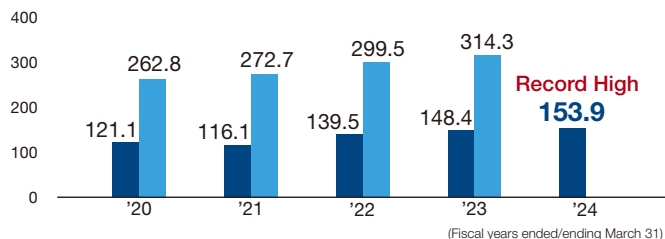
Kimihiko Higashio
Representative Director, President

Consolidated Financial Highlights

Note: Figures are in accordance with International Financial Reporting Standards (IFRS).

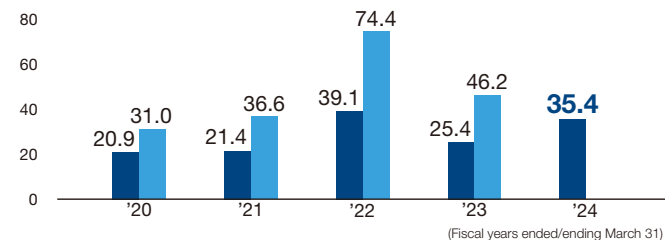
Total Revenue

(¥ billion) ■ Interim ■ Annual



Operating Profit

(¥ billion) ■ Interim ■ Annual

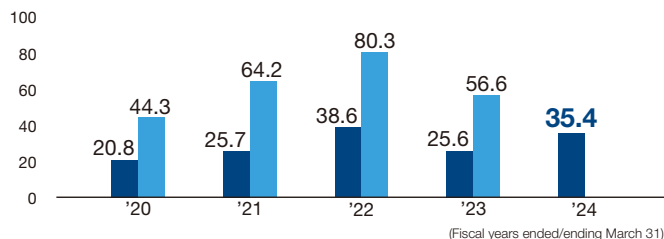


In terms of the consolidated results for the six months ended September 30, 2023, total revenue amounted to ¥153,851 million (a year-on-year increase of 3.7%), business profit was ¥35,414 million (a year-on-year increase of 38.3%), operating profit was ¥35,443 million (a year-on-year increase of 39.6%), profit before income taxes was ¥37,008 million (a year-on-year increase of 34.7%), and profit attributable to owners of the parent was ¥26,834 million (a year-on-year increase of 35.2%).

In the Digital Entertainment Business, we implemented a major update for “eFootball™ 2023,” which is available on home console, computer, and mobile platforms, and we began distribution of “eFootball™ 2024.” As an ongoing initiative, “PROFESSIONAL BASEBALL SPIRITS A (Ace)” where we developed measures such as “Second Coming! JAPAN Selection,” in which the players of Samurai Japan who participated in the World Baseball Classic™ made a reappearance, and “Yu-Gi-Oh! MASTER DUEL,” for which we celebrated 57.3 million downloads (5–7–3 can be read as “ko-na-mi” in Japanese), have continued to enjoy a positive reception by many players. In card games, we continued to develop a project to commemorate the 25th anniversary of Yu-Gi-Oh! card game. In the eSports space, the eSports World Championship “Yu-Gi-Oh! World Championship 2023” was held at Tokyo Big Sight for the first time in four years to determine the world’s top duelists, which had been postponed in light of the COVID-19 pandemic and other factors.

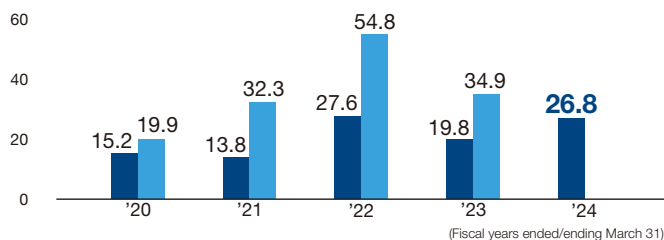
Business Profit

(¥ billion) ■ Interim ■ Annual



Profit Attributable to Owners of the Parent

(¥ billion) ■ Interim ■ Annual



In the Amusement Business, the medal pusher game “Momotaro Dentetsu: Medal Game mo Teiban!” which was released in the previous fiscal year, continues to be well-received. In the pachislot machine space, “Boku girls Love Kyure 2,” “MAH-JONG FIGHT CLUB KAKUSEI,” and “Sengoku Collection 5: Chou Gokuraku LOOP,” Konami’s first “smart pachislot” titles, were introduced.

In the slot machine business, part of the Gaming & Systems business, the DIMENSION series is expanding its presence in the North American and Australian markets. In terms of gaming content, All Aboard™ continues to lead the industry, and other titles, such as Dragon’s Law™ and Stuffed Coins™, have also enjoyed a warm market reception. In casino management systems, customers have been pleased with the wider range of functionality that we introduced, including the Money Klip™ function, which makes cashless casinos possible.

In the Sports Business, we have continued to provide opportunities for more customers to enjoy exercise by expanding both the use of facilities and online lesson services. For “Pilates Mirror,” Pilates studios with mirrors on the ceiling, we opened five new studios in the second quarter of the fiscal year, bringing the total to 14. “Pilates Mirror” has been well received by many customers. With regard to the operation of outsourced facilities, we leveraged our previously developed operational and leadership expertise to begin the contracted operation of new sports facilities and to provide swimming school instruction services.

For more detailed financial data, please visit the Financial Information page on the KONAMI website.
<https://www.konami.com/ir/en/ir-data/>

Digital Entertainment



Popular Mode of PAWAFURU PUROYAKYU Now Available on Mobile “PAWAFURU PUROYAKYU Eikan Nine Cross Road”

The mobile game, “PAWAFURU PUROYAKYU Eikan Nine Cross Road” was launched in September 2023 with a favorable reception of 7.5 million cumulative downloads in the first month. This new game was developed for mobile platforms based on the most popular mode, “Eikan Nine,” in the PAWAFURU PUROYAKYU series. Game users act as the manager of an underdog high school varsity baseball team, train the team, and take control of the baseball games with the aim of regularly playing at Koshien, Japan’s National High School Baseball Championship, and winning the title.

This is the first new mobile baseball title in the PAWA PURO series in approximately nine years with the previous “JIKKYOU PAWAFURU PUROYAKYU” being launched in December 2014. The mobile app is free to play, and is also planned to be launched for console in the future.

Going forward, we will continue to deliver new ways to enjoy the PAWA PURO series.

Amusement



Konami’s Mahjong Games Backed by More Than Twenty Years of History Expanding the MAH-JONG FIGHT CLUB Series

The KONAMI MAH-JONG FIGHT CLUB series, which celebrated its twentieth anniversary last year, continues to diversify and expand its lineup.

We released a new version of “MAH-JONG FIGHT CLUB Extreme” on the series’ twentieth anniversary, and we are continuing to steadily support the game by implementing a new score rating system as well as many events. We also released substantial design and content update for our mobile game, “MAH-JONG FIGHT CLUB Sp,” on its tenth anniversary in September 2023. We started new initiatives in March 2023 with “Mahjong Fight Girl,” a mahjong video game that is easy to play even for first-time mahjong players. In the gaming machine field, we launched a new smart pachislot machine, “MAH-JONG FIGHT CLUB KAKUSEI.” We are also involved in the pro mahjong league, M.League, where the KONAMI MAH-JONG FIGHT CLUB team is competing fiercely in the new season after finishing second place last season. To increase our customers’ touch-points with the MAH-JONG FIGHT CLUB series, we will continue to deliver even more interesting and fun mahjong games.

Gaming & Systems



Newest Hardware with Three Stacked 43-Inch Monitors Initial Installation of DIMENSION 43x3™ in U.S. Market

KONAMI has launched DIMENSION 43x3™, the newest model in its DIMENSION slot machine series, which has won multiple awards in the U.S. and Australian markets. We have started initial installation of this hardware in some casino facilities in the United States, and they have been received very well. DIMENSION 43x3™ is a large-format cabinet consisting of three stacked 43-inch 4K Ultra High-Definition (UHD) monitors. Casino operators can choose from over eighty different games, including Stuffed Coins™ and Dragon's Law Fortune Pots™, which were well received with the DIMENSION 27™.

Aiming to expand awareness of the market launch of DIMENSION 43x3™, the machine was prominently displayed at the KONAMI booth during the 2023 Global Gaming Expo (G2E) in Las Vegas. Going forward, KONAMI will continue to develop innovative products and provide top-class entertainment to casinos around the world.

Sports



Combining Instructor Coaching Techniques with ICT Technology Expanding the Swimming School Business

Demand for out of school lessons has been increasing in recent years, and, in response, Konami Sports is proactively opening new swimming schools for children with 121 facilities running nationwide (as of September 2023). We are also implementing the use of “Undo Juku Digital Note” across Japan, a technology that enhances the effects of practice by combining the coaching techniques of instructors and ICT technology. This service has become very popular with both children and their parents because it enables them to see demonstration footage at the pool-side, and also review their own form no matter the time or place.

In September 2023, “Digital Note Swimming School for Adults,” a version of “Undo Juku Digital Note” modified for adults, was newly launched at 36 Konami Sports Club facilities across Japan as a new challenge. In the future, we will develop more school-related businesses and increase the added value of our services by applying its unique coaching techniques to meet diversifying needs, thereby helping to enrich everyone’s lives through sports.

Continuously Advancing with New Installations and Remakes in Our Popular Series

Since KONAMI's foundation in 1969, we have continuously created new content that has kept us riding the crest of the wave in each new era. We are constantly advancing the production of new games as well as remakes of old favorites that can be enjoyed on the latest devices in order to increase the opportunities for customers to experience the intellectual property (IP) that KONAMI has accumulated over its history of more than fifty years.

2023 marks the 35th anniversary of the Momotaro Dentetsu series modeled after a traditional Japanese board game. The newest game in the series, “*Momotaro Dentetsu World -Chikyu wa Kibou de Mawatteru!-*” was launched in November 2023, following the success of the hit title “*Momotaro Dentetsu: Showa, Heisei, Reiwa mo Teiban,*” which boasts over four million copies sold to date. For the first time in the series, the game

setting comprises the entire world and players can enjoy seeing local properties from around the globe featuring regional characteristics and local famous products, making it the first “international” Momotaro Dentetsu game. In March 2023, we delivered the medal game “*Momotaro Dentetsu: Medal Game mo Teiban!*” to amusement facilities across Japan with the aim of expanding recognition of the Momotaro Dentetsu IP.

In September 2023, we launched the newest title in the Bomberman series, “*Super Bomberman R 2.*” In addition to the single-player maze-based story mode, we have enhanced the multiplayer competitive battle mode with various challenging rules, making it possible to play Bomberman in many different ways.

Since its launch in 1987 as an arcade game, the Contra series of action shooting games has gained many fans across the



@AKIRA SAKUMA @Konami Digital Entertainment

“*Momotaro Dentetsu World -Chikyu wa Kibou de Mawatteru! -*”



“*Contra: Operation Galuga*”



"METAL GEAR SOLID Δ: SNAKE EATER"

world. We plan to launch a new remake title, "*Contra: Operation Galuga*," at the beginning of 2024 that preserves the familiar world setting and elements of the original "*Contra*" while adding new levels and enemies as well as new game system elements.

The METAL GEAR series—which challenges players to sneak into hostile environments without being detected by the enemy—is extremely popular all over the world and has sold more than sixty million copies, and we are proceeding with development to deliver this stealth action experience to even more customers. In October 2023, we launched "*METAL GEAR SOLID: MASTER COLLECTION Vol.1*," which contains three titles in the series, "*Metal Gear Solid*," "*Metal Gear Solid 2: Sons of Liberty*," and "*Metal Gear Solid 3: Snake Eater*," and can be played on the latest platforms. In response to the popularity of one of the most beloved instalments of this series, we have also begun the production of "*METAL GEAR SOLID Δ: SNAKE EATER*," which recreates the original story and game design, while evolving the gameplay with stunning visuals. The response to the announcement



"SILENT HILL 2"

of this project has been huge.

In addition, we are proceeding with the production of new titles and remakes in the SILENT HILL series, our original series of psychological horror games that is beloved around the world. The distribution of "*SILENT HILL: Ascension*" on November 1, 2023 (JST) in the form of interactive streaming allows viewers to intervene and influence a scene to create their own stories. In addition to two new titles, "*SILENT HILL: Townfall*" and "*SILENT HILL f*," set in 1960s Japan now under production in collaboration with developers Annapurna Interactive and NoCode, we announced the remake of "*SILENT HILL 2*," which originally came out in 2001. We also announced that our upcoming film "*Return to SILENT HILL*," which is based on the story of "*SILENT HILL 2*," is in production, and we have great expectations for this new expansion of the SILENT HILL series. By expanding KONAMI's IPs into formats suitable for a variety of devices, we will continue delivering new kinds of entertainment to our customers all over the world and across all generations.

Corporate Data

Company Name	KONAMI GROUP CORPORATION
Headquarters	1-11-1, Ginza, Chuo-ku, Tokyo 104-0061, Japan Tel: 81-3-6636-0573 Fax: 81-3-6893-1573
Founded	March 21, 1969
Incorporated	March 19, 1973
Paid-in Capital	¥47,398 million
Consolidated Employees	8,864 (As of September 30, 2023) (Including temporary employees, converted at 160 hours per month)
Website	https://www.konami.com

Shareholder Information

Fiscal Year-End	March 31
Ordinary General Meeting of Shareholders	June
Record Dates for Shareholders	Annual shareholders' meeting: March 31 Year-end dividend: March 31 Interim dividend: September 30 Other (when necessary): As announced in advance
Transfer Agent	Sumitomo Mitsui Trust Bank, Limited 1-4-1, Marunouchi, Chiyoda-ku, Tokyo, Japan
Location of Transfer Agent Handling Office	Sumitomo Mitsui Trust Bank, Limited Stock Transfer Agency Department 1-4-1, Marunouchi, Chiyoda-ku, Tokyo, Japan
Mailing Address	Sumitomo Mitsui Trust Bank, Limited Stock Transfer Agency Department 2-8-4, Izumi, Suginami-ku, Tokyo 168-0063, Japan
Website	https://www.smtb.jp/english
Public Notices	Shown on the Company's website: https://www.konami.com/ir/en/
Stock Exchange Listings	Tokyo and London

Stock Information (As of September 30, 2023)

Common Stock		
Authorized	450,000,000 shares	
Issued	143,500,000 shares (Including 7,941,641 treasury shares)	
Number of Shareholders	23,087	
The 10 Largest Shareholders		
Shareholder	Shares (Thousands)	% of Total
The Master Trust Bank of Japan, Ltd. (Trust Account)	29,422	21.70
Kozuki Foundation	17,100	12.61
Custody Bank of Japan, Ltd. (Trust Account)	16,799	12.39
KOZUKI HOLDING B.V.	15,700	11.58
Kozuki Capital Corporation	7,048	5.20
JP MORGAN CHASE BANK 380815	6,530	4.82
KOREA SECURITIES DEPOSITORY-SAMSUNG	3,538	2.61
HSBC HONGKONG-TREASURY SERVICES A/C ASIAN EQUITIES DERIVATIVES	1,903	1.40
STATE STREET BANK WEST CLIENT - TREATY 505234	1,816	1.34
STATE STREET BANK AND TRUST COMPANY 505001	1,291	0.95

Note: The above shareholding ratios are calculated after the deduction of treasury shares.

Guide to Investor Relations (IR) Site

Our website includes an IR section that provides easy access to our latest financial information, news releases, and other relevant IR information.

<https://www.konami.com/ir/en/>