

FY2024 1st Quarter Financial Results

Fiscal year ended June 30, 2023

KONAMI GROUP CORPORATION

August 3, 2023

Cautionary statement with respect to forward-looking statements

Statements made in this presentation with respect to KONAMI GROUP'S current plans, estimates, strategies and beliefs, including forecasts, are forward-looking statements about the future performance of the Company. These statements are based on management's assumptions and beliefs in light of information currently available to it and, therefore, you should not place undue reliance on them. A number of important factors could cause actual results to be materially different from and worse than those discussed in forward-looking statements. Such factors include, but are not limited to (1) Changes in economic conditions affecting our operations; (2) Fluctuations in foreign exchange rates, particularly with respect to the value of the Japanese yen, the U.S. dollar and the Euro; (3) the Company's ability to continue to win acceptance of our products, which are offered in highly competitive markets characterized by the continuous introduction of new products, rapid developments in technology and subjective and changing consumer preferences; (4) the Company's ability to successfully expand internationally with a focus on our Digital Entertainment business, Amusement business and Gaming & Systems business; (5) the Company's ability to successfully expand the scope of our business and broaden our customer base through our Sports business; (6) Regulatory developments and changes and our ability to respond and adapt to those changes; (7) the Company's expectations with regard to further acquisitions and the integration of any companies we may acquire; and (8) the outcome of contingencies.

- Financial information included herein is not audited by independent public accountants
- (1) Numbers included in this presentation material are;
 - a) in accordance with IFRS
 - b) rounded to the nearest one hundred million yen
- (2) Revenues of each segment include inter-segment sales

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Consolidated Financial Results

(JPY in billions)

	FY2023 Q1 3 months ended June 2022	FY2024 Q1 3 months ended June 2023	YoY Change (Amount)	YoY Change (%)	FY2024 Guidance 12 months ending March 2024
Revenue	71.9	72.6	0.7	+1.0%	328.0
Business profit	14.1	17.2	3.1	+21.7%	63.0
Other income and other expenses	△ 0.1	△ 0.0	0.0	-	△ 3.0
Operating profit	14.0	17.2	3.1	+22.2%	60.0
Profit before income taxes	15.9	18.4	2.5	+16.0%	59.0
Profit for the period (attributable to owners of the parent)	11.4	13.4	1.9	+17.0%	41.0
Earnings per share (JPY)	85.41	98.67	13.26		302.45

Revenue by Business Segment

(JPY in billions)

	FY2023 Q1 3 months ended June 2022	FY2024 Q1 3 months ended June 2023	YoY Change (Amount)	YoY Change (%)	FY2024 Guidance 12 months ending March 2024
Digital Entertainment	50.8	48.1	△ 2.7	△ 5.3%	216.0
Amusement	2.9	3.4	0.5	+16.2%	27.0
Gaming & Systems	7.7	10.0	2.3	+29.9%	39.0
Sports	11.0	11.7	0.7	+6.5%	49.5
Eliminations	△ 0.5	△ 0.6	△ 0.1	-	△ 3.5
Total revenue	71.9	72.6	0.7	+1.0%	328.0

Profit by Business Segment

(JPY in billions)

	FY2023 Q1 3 months ended June 2022	FY2024 Q1 3 months ended June 2023	YoY Change (Amount)	YoY Change (%)	FY2024 Guidance 12 months ending March 2024
Digital Entertainment	13.4	15.1	1.7	+13.0%	55.5
Amusement	0.1	0.2	0.1	+81.9%	5.5
Gaming & Systems	0.8	2.0	1.1	+139.5%	6.5
Sports	0.4	0.7	0.3	+61.3%	1.0
Corporate expenses and eliminations	△ 0.6	△ 0.8	△ 0.2	-	△ 5.5
Total business profit	14.1	17.2	3.1	+21.7%	63.0
Other income and other expenses	△ 0.1	△ 0.0	0.0	-	△ 3.0
Total operating profit	14.0	17.2	3.1	+22.2%	60.0

Revenue and profit

(JPY in Billions)

	FY2023 Q1	FY2024 Q1	YoY Change (Amount)	YoY Change (%)	FY2024 Guidance
	3 months ended June 2022	3 months ended June 2023			12 months ending March 2024
Revenue	50.8	48.1	△ 2.7	△ 5.3%	216.0
Business profit	13.4	15.1	1.7	+13.0%	55.5
Operating profit	13.4	15.1	1.7	+13.0%	52.5
Operating profit margin	26%	31%			24%

FY2024 Q1 summary

- eFootball™ 2023 continues to sustain strong performance driven by measures including the 6th anniversary campaign of the mobile version
- Announced the October launch of METAL GEAR SOLID: MASTER COLLECTION Vol.1 and the development of METAL GEAR SOLID Δ: SNAKE EATER
- Card games – launched a campaign as part of the Yu-Gi-Oh! cards 25th anniversary project
- esports initiative – the eFootball™ Championship Pro 2023 final tournament was held offline for the first time in three years with participation of professional esports players from Europe’s top professional soccer clubs

Revenue and profit

(JPY in Billions)

	FY2023 Q1	FY2024 Q1	YoY Change (Amount)	YoY Change (%)	FY2024 Guidance
	3 months ended June 2022	3 months ended June 2023			12 months ending March 2024
Revenue	2.9	3.4	0.5	+16.2%	27.0
Business profit	0.1	0.2	0.1	+81.9%	5.5
Operating profit	0.1	0.2	0.1	+85.7%	5.5
Operating profit margin	4%	6%			20%

FY2024 Q1 summary

- Continued strong performance of Momotaro Dentetsu -Medal game mo teiban!-, launched last FY, leads to additional orders (Earnings contribution commencing Q2)
- Launched Konapura KONAMI ONLINE PRIZE GAME, an online prize game service playable on PC and smartphone devices
- Announced the September release of smart-pachislot title MAH-JONG FIGHT CLUB Kakusei

Revenue and profit

(JPY in Billions)

	FY2023 Q1	FY2024 Q1	YoY Change (Amount)	YoY Change (%)	FY2024 Guidance
	3 months ended June 2022	3 months ended June 2023			12 months ending March 2024
Revenue	7.7	10.0	2.3	+29.9%	39.0
Business profit	0.8	2.0	1.1	+139.5%	6.5
Operating profit	0.8	2.0	1.1	+139.0%	6.5
Operating profit margin	11%	20%			17%

FY2024 Q1 summary

- Following the core markets of North America and Australia, the Asian market shows recovery
- Implementation of components purchase price reduction efforts to improve profit margin
- Highly acclaimed casino management system SYNKROS continues to expand install base at casino facilities

Revenue and profit

(JPY in Billions)

	FY2023 Q1	FY2024 Q1	YoY Change (Amount)	YoY Change (%)	FY2024 Guidance
	3 months ended June 2022	3 months ended June 2023			12 months ending March 2024
Revenue	11.0	11.7	0.7	+6.5%	49.5
Business profit	0.4	0.7	0.3	+61.3%	1.0
Operating profit	0.4	0.7	0.3	+82.9%	1.0
Operating profit margin	4%	6%			2%

FY2024 Q1 summary

- Strong traction among pilates studios – opened four studios in Q1 and announced five more studios scheduled to open in Q2 (making cumulative total of 14 studios)
- Commenced operation of sports facilities on behalf of local governments in Tsugaru City (Aomori), Saitama City (Saitama), Asahi City (Chiba), Toshima City (Tokyo) and Gifu City (Gifu) as part of an initiative to expand network under an asset-light business model
- Opened popular swimming school programs for children at five facilities in April. Announced the installment of Digital Note - a digital service utilizing video images and AI to improve practice efficiency at swimming schools customized for adult programs - at 36 facilities in September

Titles Released in Apr – Jun 2023 / Pipeline(1)

Title	Platform	Geography	Release Date	Business Segment (※)
SUPER BOMBERMAN R 2	Nintendo Switch™, PlayStation®4, PlayStation®5, Xbox One, Xbox Series X S, Steam®	Global	Sep '23	DE
PAWAFURU PUROYAKYU Eikan Nine Cross Road	Mobile Console	Japan	Mobile: Sep '23 Console: TBD	DE
METAL GEAR SOLID: MASTER COLLECTION Vol.1	Nintendo Switch™, PlayStation®5, Xbox Series X S, Steam®	Global	Oct '23	DE
Momotaro Dentetsu World -Chikyu wa Kibou de Mawatteru!-	Nintendo Switch™	Japan	Nov '23	DE
Suikoden I&II HD Remaster Gate Rune & Dunan Unification Wars	Nintendo Switch™, PlayStation®4, Xbox One, Steam®	Global	2023	DE
CYGNI: All Guns Blazing	PlayStation®5, Xbox Series X S, Steam®	Global	2023	DE
Super Crazy Rhythm Castle	Nintendo Switch™, PlayStation®4, PlayStation®5, Xbox One, Xbox Series X S, Steam®	Global	TBD	DE
METAL GEAR SOLID Δ: SNAKE EATER	PlayStation®5, Xbox Series X S, Steam®	Global	TBD	DE
SHINEPOST Be Your IDOL!	App Store, Google Play	Japan	TBD	DE
SILENT HILL 2	PlayStation®5, Steam®	Global	TBD	DE
SILENT HILL: Townfall	TBD	Global	TBD	DE
SILENT HILL f	TBD	Global	TBD	DE

※ DE: Digital Entertainment



METAL GEAR SOLID:
MASTER COLLECTION Vol.1



SUPER BOMBERMAN R 2



Momotaro Dentetsu World
-Chikyu wa Kibou de Mawatteru!-



PAWAFURU PUROYAKYU
Eikan Nine Cross Road



SILENT HILL 2



CYGNI: All Guns Blazing

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Titles Released in Apr – Jun 2023 / Pipeline(2)

Title	Platform	Geography	Release Date	Business Segment (※)
Konapura KONAMI ONLINE PRIZE GAME	Online Prize game	Japan	Apr '23	AM
Bouku Shoujo Love Kyure 2 -Kyokugen no Kyomei-	Pachislot Machine	Japan	Aug '23	AM
MAH-JONG FIGHT CLUB Kakusei	Pachislot Machine	Japan	Sep '23	AM
ELDORA CROWN Yukyu no Labyrinth	Arcade Machine (Medal Game)	Japan	TBD	AM
FORTUNE TRINITY Jiku no Diamond	Arcade Machine (Medal Game)	Japan	TBD	AM
Dragon's Law Fortune Bags Dragon's Law Fortune Pots	Contents for Gaming Machine	North America	FY2024 Q1 (For DIMENSION 49)	GS

※ AM: Amusement GS: Gaming & Systems



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Bouku Shoujo Love Kyure 2
-Kyokugen no Kyomei-



©Konami Amusement
MAH-JONG FIGHT CLUB Kakusei



©Konami Amusement

ELDORA CROWN Yukyu no Labyrinth



©Konami Amusement

FORTUNE TRINITY Jiku no Diamond



Dragon's Law Fortune Bags

Consolidated Business Performance

(JPY in billions)

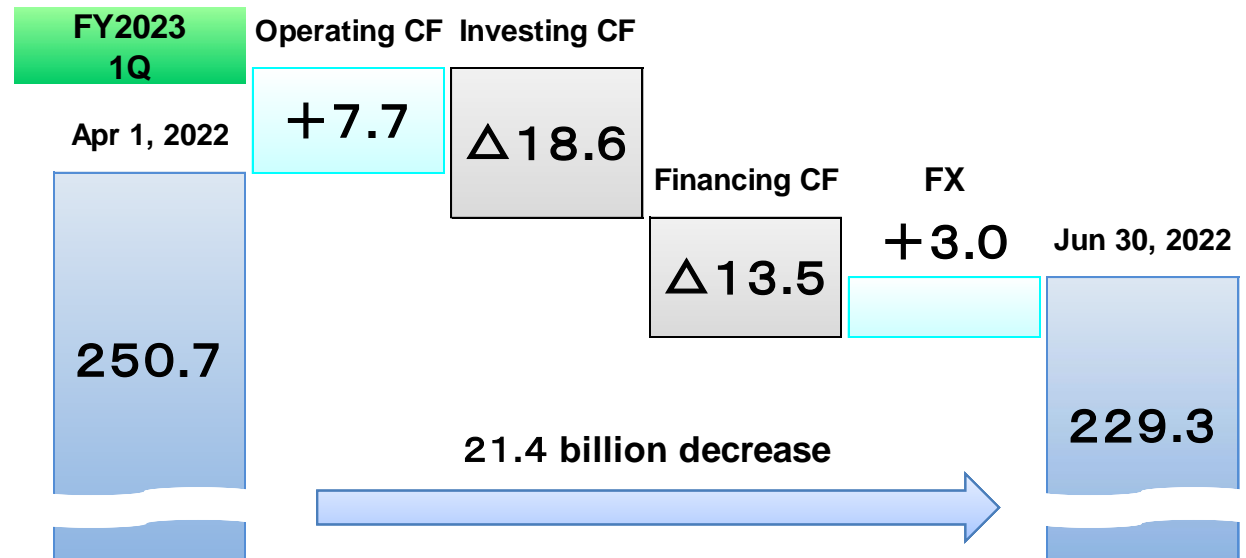
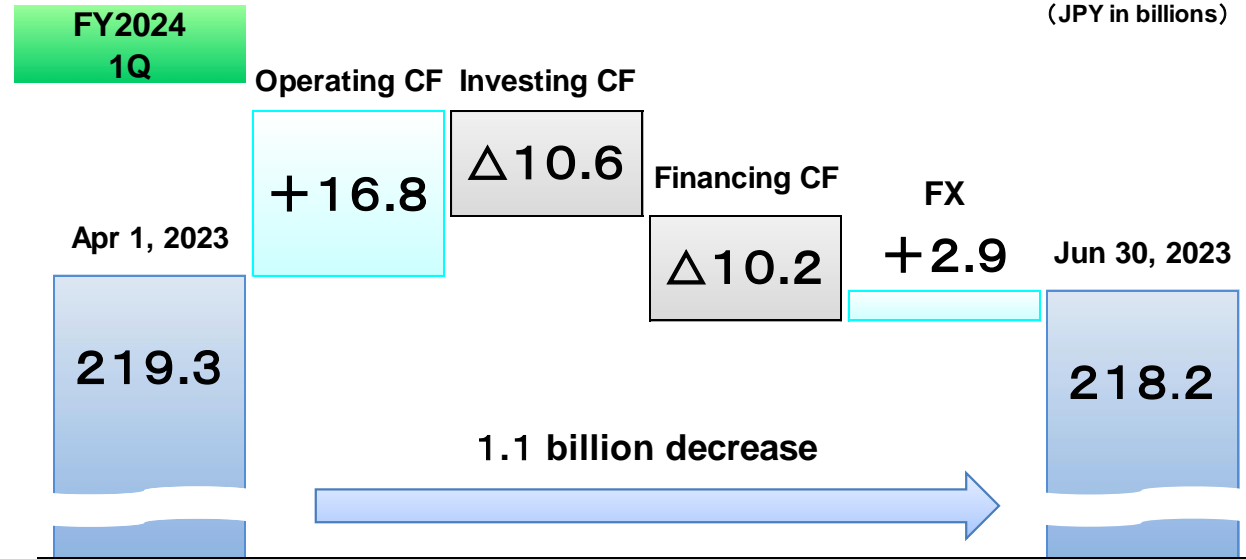
	FY2023 Q1	Percentile	FY2024 Q1	Percentile	YoY Change (Amount)	YoY Change (%)
Revenue	71.9	100.0%	72.6	100.0%	0.7	+1.0%
Total cost of revenue	△ 43.1	60.0%	△ 40.6	56.0%	2.5	
SG&A	△ 14.7	20.4%	△ 14.8	20.4%	△ 0.2	
Other income and other expenses	△ 0.1	0.1%	△ 0.0	0.0%	0.0	
Operating profit	14.0	19.5%	17.2	23.6%	3.1	+22.2%
Finance income	1.9		1.3		△ 0.6	
Finance costs	△ 0.2		△ 0.2		0.0	
Profit from investments accounted for using the equity method	0.2		0.1		△ 0.0	
Profit before income taxes	15.9	22.0%	18.4	25.3%	2.5	+16.0%
Income taxes	△ 4.4	6.1%	△ 5.0	6.9%	△ 0.6	
Profit for the period	11.4	15.9%	13.4	18.4%	1.9	+17.0%
Profit attributable to:						
Owners of the parent	11.4	15.9%	13.4	18.4%	1.9	+17.0%
Non-controlling interests	0.0	0.0%	0.0	0.0%	0.0	

Consolidated Financial Position

(JPY in billions)

	Mar 31, 2023	Jun 30, 2023	Change		Mar 31, 2023	Jun 30, 2023	Change
Current assets				Current liabilities			
Cash and cash equivalents	219.3	218.2	△ 1.1	Trade and other payables	37.6	31.9	△ 5.7
Trade and other receivables	39.3	30.7	△ 8.6	Other current liabilities	37.5	36.9	△ 0.6
Inventories	12.7	13.9	1.2	Total current liabilities	75.1	68.8	△ 6.3
Other current assets	18.8	22.0	3.2	Non-current liabilities			
Total current assets	290.0	284.8	△ 5.2	Bonds and borrowings	59.8	59.8	0.0
	(53.0%)	(51.6%)		Other non-current liabilities	36.0	36.2	0.1
Non-current assets				Total non-current liabilities	95.9	96.0	0.1
Property, plant and equipment, net	155.8	157.2	1.4	Total liabilities	170.9	164.8	△ 6.1
Goodwill and intangible assets	49.6	55.9	6.4	Total equity attributable to	376.3	386.9	10.7
Deferred tax assets	30.2	30.8	0.6	owners of the parent	(68.8%)	(70.1%)	
Other non-current assets	21.6	23.1	1.4	(per share: JPY)	(2,775.65)	(2,854.48)	(78.83)
Total non-current assets	257.2	267.0	9.8	Non-controlling interests	0.0	0.0	0.0
	(47.0%)	(48.4%)		Total equity	376.3	387.0	10.7
Total assets	547.2	551.8	4.5	Total liabilities and equity	547.2	551.8	4.5

Consolidated Cash Flows



THANK YOU