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Q&A for 4Q FY2024 Operating Results Briefing

This financial results meeting was held on Wednesday, November 6, 2024 at 5:00 p.m. Below is a summary of the question and answer session.

Q : I would like to ask about the background to the Entertainment Business turning into the red in the 4Q.

A : Although sales of existing titles declined, the 5th anniversary “DRAGON QUEST WALK” and the 10th anniversary “Shironeko Project” performed as expected. On the other hand, we recorded a loss due to a significant increase in advertising expenses associated with the release of the new smartphone game “FESTIBATTLE” and costs associated with the full-scale launch of the blockchain game “Brilliantcrypto”.

Q : I would like to ask about the evaluation of “Brilliantcrypto” and the future outlook.

A : As the first step towards achieving its mid- to long-term goals, we have been able to create value for its digital gemstone, and it is evaluating its start as a success. At present, costs are ahead of income, but the fact that the 1.5 billion yen raised through IEO has not yet been transferred to sales due to accounting reasons is also having a significant impact. Contract liability, which are future earnings, are transferred to sales as users play the game.

We plan to further expand globally, including listing the BRIL token in overseas countries, and implement the “Lapidary Workshop” function that is currently under development. We aim to contribute to mid- to long-term business performance by securing contract liability (future earnings) through the sale of BRIL token and accumulating sales through an increase in users.

Q : I would like to ask about the future outlook for the Investment and Development Business.

A : As the investments made immediately after the business launch are approaching the harvest period, we expect investment returns to gradually increase. While increasing investment returns, it is also important to limit impairment losses that occur in the early stages of investment due to the business structure, and we aim to secure continuous profits by limiting impairment losses by making strict investment decisions in line with the market environment.



Q : I would like to ask about your future plans for the console game field, along with market trends.

A : With regard to console game field, we will focus on group companies such as EIGHTING Co., Ltd. and MAGES. Inc. On the other hand, COLOPL, Inc. will continue to develop its business centered on mobile game field. In recent years, competition in both the console game and mobile game markets has intensified due to the shift to multi-platform development. However, we believe that there is still a market for games that make the most of the characteristics of mobile devices, as typified by location-based games. By making the most of the technology that we have cultivated, we aim to create a game experience that is unique to mobile devices, and by combining it with globally strong IP, we aim to create a worldwide hit.

— Thank you very much —