

**KONAMI**

# Fiscal 2022 Konami Group Report

April 1, 2021 – March 31, 2022

**KONAMI HOLDINGS CORPORATION**

# To Our Shareholders

I sincerely hope that this report finds our shareholders in good health and happiness.

I would like to express my sincere appreciation for your continued and generous support.

Since its founding in 1969, the Konami Group has always had a pioneering spirit and the foresight to understand the world's needs. By keeping abreast of the changing trends and technologies, it has continued to read the waves and ride them at their peak.

Although the social landscape is facing major changes, the Digital Entertainment business continued to see a strong performance in fiscal 2021, while the Amusement business, Gaming & Systems business, and the Sports business steadily recovered from the impact of COVID-19. Due to this growth and recovery, we not only achieved record high business profits for the second consecutive year, we also achieved ¥80 billion in profit for the first time, and profits for the year reached a record high.

As a result of this strong financial performance, the total dividend for the year will be ¥123.50 per share, an increase of ¥50.50 compared to the previous fiscal year. We strive to improve financial performance and further increase dividends through strategic investments, such as in the human resources essential for future growth, the highest level of environment for research and development that aligns with the new normal of this era, and new technology.

The development of the entertainment business field and its potential continues to expand due to factors including the evolution of technology and services—with examples including artificial intelligence (AI), fifth and sixth generation mobile communications (5G/6G), virtual and augmented reality (VR/AR), non-fungible tokens (NFTs), and the metaverse—the advancement of electronics such as mobile devices and console games, and our entry into new distribution platforms that utilize cloud technology. In addition, the growing trend toward digitalization and online consumption has led to the expansion of businesses with recurring revenues, creating an environment for improved profitability and robust business results.

In the field of sports, there has been an increasing importance placed on extending life expectancy in an aging society.

Amid the idea that the achievement of wellbeing is a major issue in a sustainable society, maintaining health through exercise holds a key social significance and KONAMI's role and level of responsibility in providing this are also increasing.

In such an environment, and as a group that provides products and services in both entertainment and sports, our target business markets are showing significant growth, with opportunities for further expansion on the rise as well.

Furthermore, we must carry out management with an even greater awareness of society and the environment in order to achieve long-term growth and develop together with society. We announced our endorsement of the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD) in May 2022 and began disclosing information in line with the recommendations. We will also continue to further implement sustainability initiatives, such as promoting diversity.

Under the approval of the General Shareholders' Meeting held on June 28, 2022, we will change our trade name to KONAMI GROUP CORPORATION on July 1, 2022. Going forward, KONAMI group companies will work together to take on new challenges with the aim of achieving further growth as a sustainable company.

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

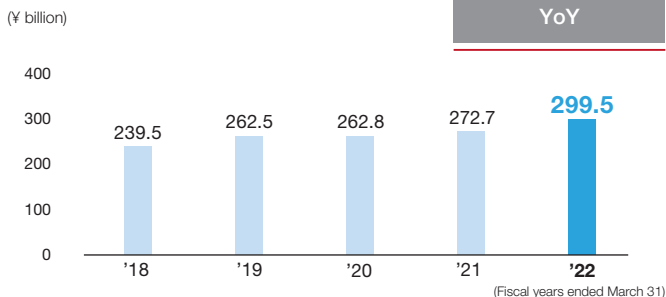


**Kimihiko Higashio** Representative Director, President

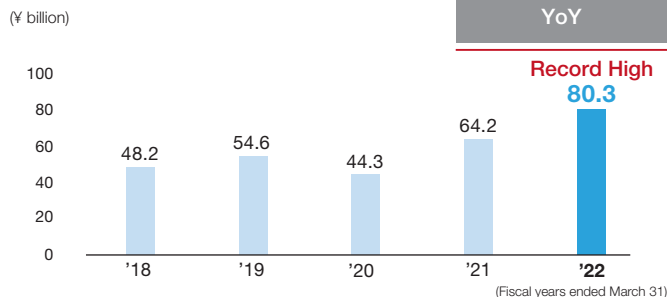
# Financial Highlights

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

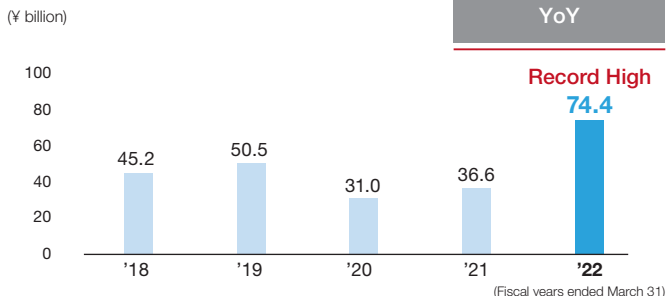
## Total Revenue



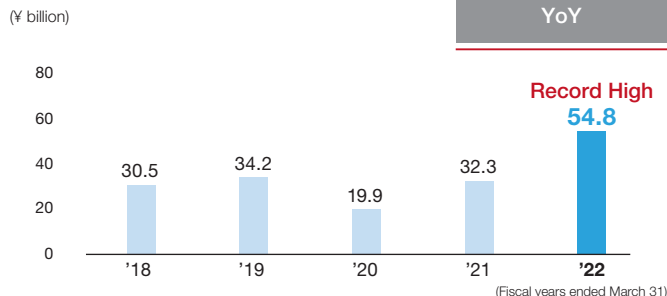
## Business Profit



## Operating Profit



## Profit Attributable to Owners of the Parent



For the consolidated results for the fiscal year ended March 31, 2022, total revenue amounted to ¥299,522 million (a year-on-year increase of 9.9%), business profit amounted to ¥80,315 million (a year-on-year increase of 25.2%), operating profit was ¥74,435 million (a year-on-year increase of 103.6%), profit before income taxes was ¥75,163 million (a year-on-year increase of 111.2%), and profit attributable to owners of the parent was ¥54,806 million (a year-on-year increase of 69.9%). These were record-high levels in all profit categories.

In the Digital Entertainment Business, as a new initiative for us, we began global distribution of “Yu-Gi-Oh! MASTER DUEL”, which allows our customers to enjoy playing the “Yu-Gi-Oh! TRADING CARD GAME” digitally. Additionally, each of our mobile titles—“eFootball Winning Eleven 2021” (known overseas as “eFootball PES 2021”), “Yu-Gi-Oh! DUEL LINKS,” and “PROFESSIONAL BASEBALL SPIRITS A (Ace)” —have continued to be well received by our customers around the world. As for card games, we have continued to expand the “Yu-Gi-Oh! TRADING CARD GAME” and have been increasing brand awareness of “Yu-Gi-Oh! RUSH DUEL,” primarily to younger customers. Furthermore, in esports, we assembled a record number of participants for the 2021 season of “Prospi A (Ace) Championship” to

determine the mightiest player, and the finals drew a massive amount of attention.

In the Amusement Business, new games targeted at amusement facilities began operations: the new game “DANCE aROUND,” “QuizKnock STADIUM,” “GRANDCROSS GOLD,” the latest medal game, and “ColorCoLotta: Frozen Island.” Konasute, a service for players to enjoy arcade games on their PC or smartphone, also showed a solid performance.

In the Gaming & Systems Business, sales were strong for each of our core slot machine products, DIMENSION 27™ and DIMENSION 49™, and each title of their game content. Furthermore, Money Klip™, which was provided to Resorts World Las Vegas, a major IR facility that opened last year, received a great deal of attention as the first case of a cashless system being introduced in Las Vegas.

In the Sports Business, we are promoting the expansion of our Konami Sports Online Fitness service, in which customers can participate from anywhere. Regarding outsourced facilities, we launched new facilities, such as sports facilities in Toyonaka City, Osaka; Chuo-ku, Tokyo; and Yoshinogari Town, Saga Prefecture, using our know-how accumulated through sports club operation over many years.

For more detailed financial data, please visit the KONAMI website and go to the Financial Information page.

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

# Topics

## Digital Entertainment



Topping a Cumulative 30 Million Downloads Across Multiple Platforms

### “Yu-Gi-Oh! MASTER DUEL”

In January 2022, we began distribution of *Yu-Gi-Oh! MASTER DUEL*, which has enabled players to enjoy *Yu-Gi-Oh! OCG /TCG*, the card game that has been loved by fans around the world for over 20 years, digitally. In the three months since release, the game has topped a cumulative 30 million downloads.

*Yu-Gi-Oh! MASTER DUEL* is free-to-play, and is being distributed to over 150 countries and regions. By distributing across multiple platforms, including the latest consoles and mobile devices, players can always enjoy dueling (competing) across devices and borders. Furthermore, with a total of over 10,000 cards, they can enjoy full-scale duels with 4K quality graphics and dynamic performances and sounds. Going forward, we will hold events and official tournaments, as well as scheduling updates, for many players around the world to enjoy under the concept of appreciating *Yu-Gi-Oh!* online both as a player and a viewer.

By providing the *Yu-Gi-Oh!* series as both physical and digital contents, we will deliver the appeal of the series to even more customers.

## Amusement



Sharing the Fun of Mahjong

### MAH-JONG FIGHT CLUB Celebrates its 20th Anniversary

Konami's MAH-JONG FIGHT CLUB series celebrated its 20th anniversary in March 2022.

The series, which originally began operation at amusement facilities in March 2002, is an online competitive mahjong game endorsed by the Japan Professional Mahjong League, available for beginners through to highly proficient players. This series is now being distributed across multiple platforms; the latest arcade game version MAH-JONG FIGHT CLUB Extreme, the Konasute version that can be played at home and in arcades with the same data, and the mobile version MAH-JONG FIGHT CLUB Sp that is filled with custom elements.

Additionally, we take part in the professional mahjong league, hosted by the M.League organization since 2018, by managing the team bearing our game title, the KONAMI MAH-JONG FIGHT CLUB team. We are also scheduled to hold the “eMAH-JONG MAH-JONG FIGHT CLUB PRO TOURNAMENT” in the summer of 2022 together with the Japanese Professional Mahjong League.

Moving beyond this 20th anniversary, we will continue to deliver the amusement and fun of mahjong by developing MAH-JONG FIGHT CLUB from various angles.

## Gaming & Systems



### Strong Sales for *All Aboard*™ Series Scheduled for Installation into the *DIMENSION 75C*™ Premium Cabinet

Konami Gaming's *All Aboard*™ is growing its sales through added game titles, versions and distribution platforms.

*All Aboard*™, which features multi-level linked progressive prizes, has been favorably received by both customers and operators alike. It has been listed on the "Top Grossing Parent Games - Premium Leased & WAP" report for 19 consecutive months, which is compiled by Eilers & Krejcik Gaming, LLC and Fantini Research, a highly influential research organization in the casino industry.

In addition to the regular version, we have also developed the series to meet various needs. *All Aboard Gold Express*™ is a high-denomination edition for players wanting to make higher bets.

This summer, *All Aboard*™ is scheduled to appear on the premium *DIMENSION 75C*™ cabinet equipped with a 75-inch, 4K Ultra High-Definition screen engineered in a slight C-curve shape.

We will continue to meet customer needs and provide top-class entertainment across the world.

## Sports



### Cutting-Edge IT Technology and Coaching Techniques Unite Swimming Schools Evolve through "Undo Juku Digital Note"

Konami Sports launched "Undo Juku Digital Note" services at "Undo Juku" swimming schools in April 2022.

"Undo Juku Digital Note" is a new digital service that helps children learn in a fun way by merging Sony Network Communications Inc.'s "Smart Swimming Lesson System," which utilizes images and AI to enhance the effects of practice, with the coaching techniques of Konami Sports Club instructors. This service supports children's active awareness by enabling them to review their own swimming practice through a device installed on the poolside, and also watch demonstration videos through a handheld device, thus expanding the scope of conventional instruction. The service will be successively rolled out to "Undo Juku" swimming schools nationwide with the plan to introduce it to approximately 100 schools by the end of March 2023.

We will continue to engage in supporting children's growth by providing high-quality services that align with society where digital technology continues to evolve.

# KONAMI's Exciting Baseball Games

KONAMI's popular baseball games *PAWAFURU PUROYAKYU* and *PROFESSIONAL BASEBALL SPIRITS* continued to drive performance in fiscal 2021.

The *PAWAPURO* series is KONAMI's flagship series of baseball games, enjoyed for over 25 years since its first console game release in 1994. We have been distributing the game for new devices and began distribution of the mobile version in 2014, which topped a cumulative 47 million downloads (as of May 2022). In addition to the KONAMI content *Momotaro Dentetsu* and *Yu-Gi-Oh!*, we have also enhanced enjoyment for players by collaborating with the popular anime *Demon Slayer: Kimetsu no Yaiba* as in-game events. Furthermore, for console games, we launched *PAWAPUROKUN POCKET* series, *PAWAPUROKUN POCKET R* (Nintendo Switch™) as the first new game in 10 years, in November 2021, and launched the latest game in the *PAWAPURO* series, *eBASEBALL PAWAFURU PUROYAKYU 2022* (Nintendo

Switch™ and Playstation® 4), in April 2022.

The *PROFESSIONAL BASEBALL SPIRITS* series recreates the reality of baseball by enabling users to play as a professional baseball player through the use of 3D scanning technology, including immersive live commentary. “*PROFESSIONAL BASEBALL SPIRITS A (Ace)*,” the mobile game that enables players to experience realistic baseball action through simple gameplay, boasts the popularity of 34 million downloads in Japan (as of May 2022).

KONAMI is engaged in growing the baseball population by promoting it through baseball games. The baseball legend Ichiro also announced his collaboration with KONAMI in five baseball game titles, which received considerable fanfare from baseball fans.

We will continue to deliver the appeal of KONAMI's baseball games to even more customers.



“eBASEBALL PAWAFURU PUROYAKYU 2022”



“PROFESSIONAL BASEBALL SPIRITS A (Ace)”

# KONAMI Sustainability

## Initiatives Against Climate Change

KONAMI promotes the use of renewable energy and natural energy that does not rely on fossil fuels, and has been operating carbon neutral offices at some locations since 2007. We also own and manage wide areas of forest and engage in the preservation of forests, which are a source of CO<sub>2</sub> absorption, and water sources.

Furthermore, we declared our support for the Task Force on Climate-Related Financial Disclosures (TCFD) recommendations in May 2022 and aim to reach operational carbon neutrality in accordance with the Japanese government's declaration to reduce greenhouse gases by 2050. To realize a sustainable society and the sustainable growth of the company, we will share KONAMI's climate change initiatives with all of our stakeholders.

Please see the URL below for more details on our climate change initiatives.

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



The Task Force on Climate-Related Financial Disclosures (TCFD)

The TCFD was formed by the Financial Stability Board (FSB) in 2015 following a request from the G20 to assess and disclose the risks and opportunities that climate change poses on businesses.



KONAMI CAMPUS

## Change of the Company's Trade Name

# New Trade Name from July 1 — KONAMI GROUP CORPORATION

Since its establishment in March 1973, KONAMI has expanded its business as a pioneer in the Japanese entertainment industry and now operates in four business segments: Digital Entertainment, Amusement, Gaming & Systems, and Sports.

As the company celebrates its 50th anniversary in March 2023, we, along with our group companies, will work together to take on new challenges. In order to strive for further growth as a sustainable company, we will change our trade name to KONAMI GROUP CORPORATION on July 1, 2022.

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

## Corporate Data

Company Name	KONAMI HOLDINGS 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	8,817 (As of March 31, 2022) (Including temporary employees, converted at 160 hours per month)
Website	<a href="https://www.konami.com">https://www.konami.com</a>

## 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	<a href="https://www.smtb.jp/english">https://www.smtb.jp/english</a>
Public Notices	Shown on the Company's website: <a href="https://www.konami.com/ir/en/">https://www.konami.com/ir/en/</a>
Stock Exchange Listings	Tokyo and London

## Stock Information (As of March 31, 2022)

Common Stock	
Authorized	450,000,000 shares
Issued	143,500,000 shares (Including 9,919,591 treasury shares)
Number of Shareholders	23,993

### The 10 Largest Shareholders

Shareholder	Shares (Thousands)	% of Total
The Master Trust Bank of Japan, Ltd. (Trust Account)	29,583	22.15
Kozuki Foundation	17,100	12.80
KOZUKI HOLDING B.V.	15,700	11.75
Custody Bank of Japan, Ltd. (Trust Account)	11,645	8.72
Kozuki Capital Corporation	7,048	5.28
JP MORGAN CHASE BANK 380815	6,530	4.89
KOREA SECURITIES DEPOSITORY-SAMSUNG	3,541	2.65
Custody Bank of Japan, Ltd. (Securities Investment Trust Account)	2,516	1.88
STATE STREET BANK AND TRUST COMPANY 505001	2,159	1.62
STATE STREET BANK WEST CLIENT -TREATY 505234	1,534	1.15

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/>