

(Translation)

This document has been translated for reference purposes only for the convenience of our non-Japanese shareholders. The Japanese original shall prevail in the event of any discrepancy between this translation and the Japanese original.

NOTICE OF THE 52nd ORDINARY GENERAL MEETING OF SHAREHOLDERS

Stock Code Number: 9766
As of June 4, 2024

Dear Shareholder,

You are notified that the 52nd Ordinary General Meeting of Shareholders of KONAMI GROUP CORPORATION (the “Company”) will be held as described hereunder.

In convening this General Meeting of Shareholders, the Company has taken measures for electronic provision of information contained in the reference materials for the General Meeting of Shareholders, etc. (Matters Subject to Measures for Electronic Provision), and has posted the information on each of the following websites.

Company’s website:

<https://www.konami.com/ir/ja/stockbond/stockholderinfo/meeting.html> (Japanese)

TSE website (Listed Company Search):

<https://www2.jpx.co.jp/tseHpFront/JJK010010Action.do?Show=Show> (Japanese)

(Enter “Konami Group” in “Issue name (company name)” or the Company’s stock code number “9766” in “Code,” and click “Search.” Then, click “Basic information” and select “Documents for public inspection/PR information.”)

If you are unable to attend the meeting, you may exercise your voting rights in writing or via the Internet, etc. You are, therefore, kindly requested to review the reference materials for the General Meeting of Shareholders, refer to “Matters regarding the exercise of voting rights” on page 3 contained herein, and exercise your voting rights by 5:00 p.m. on Tuesday, June 25, 2024.

The Company will accept questions from shareholders prior to the meeting, and will explain matters of high interest to shareholders at the meeting and post the contents on the Company’s website at a later date. For detailed instructions on submitting questions prior to the meeting, refer to the included “Acceptance of Questions prior to the Meeting.”

Sincerely yours,
Kimihiro Higashio
Representative Director, President
KONAMI GROUP CORPORATION
1-11-1, Ginza, Chuo-ku, Tokyo

MEETING AGENDA

1. Date and time: 10:00 a.m., Wednesday, June 26, 2024

2. Venue: Main Office of Konami Sports Club,
4-10-1, Higashi-Shinagawa, Shinagawa-ku, Tokyo

3. Agenda:

- Reports**
1. Business Report, Consolidated Financial Statements for the 52nd fiscal year (from April 1, 2023 to March 31, 2024); and on the Reports of the accounting auditor and of the Audit & Supervisory Committee regarding Consolidated Financial Statements for the 52nd fiscal year
 2. Non-Consolidated Financial Statements for the 52nd fiscal year (from April 1, 2023 to March 31, 2024)

Proposal

- Proposal** Election of six members to the Board of Directors (excluding Directors who are Audit & Supervisory Committee Members)

<Requests to shareholders>

- In the event of any major changes to the running of the General Meeting of Shareholders, shareholders will be informed via the Company's website on the internet (<https://www.konami.com/en/>).
- For this General Meeting of Shareholders, paper-based documents stating Matters Subject to Measures for Electronic Provision will be delivered to all shareholders regardless of whether they have made a request for delivery or not. Please note that the Company does not include the "Notes to Consolidated Financial Statements" and the "Notes to Non-Consolidated Financial Statements" in the paper-based notice of the meeting delivered to shareholders since it posts such information on the website of the Company and the website of the Tokyo Stock Exchange (TSE) as provided for by the provisions of laws and regulations and Article 16 of the Articles of Incorporation. Accordingly, the Consolidated Financial Statements and the Non-Consolidated Financial Statements included in the paper-based notice of the meeting delivered to shareholders are part of the documents included in the scope audited by the Audit & Supervisory Committee and the Accounting Auditor when they created their respective audit reports.
- In case amendments or changes are made to Matters Subject to Measures for Electronic Provision prior to the date of the meeting, the Company shall notify its shareholders via the Company's website and the TSE website.
- Notification of Business Conducted at the 52nd Ordinary General Meeting of Shareholders that provides the results of resolutions will be posted on the Company's website instead of being distributed in writing.
- Institutional investors may use the electronic voting platform operated by ICJ, Inc., as a method of exercising their voting rights for the General Meeting of Shareholders of the Company.

[Matters regarding the exercise of voting rights]

There are three ways to exercise your voting rights.

1) Voting via mail (in writing)

Please complete the enclosed voting form by indicating “for” or “against” for the agenda items, and return the completed form to us. *1

To arrive no later than 5:00 p.m., Tuesday June 25, 2024

2) Voting via the internet

Please follow the instructions stated on the next page and enter “for” or “against” for the agenda items.

To be entered no later than 5:00 p.m. on Tuesday, June 25, 2024

3) Attendance at the meeting in person

Please remember to bring the voting form enclosed and hand it to the receptionist. *2

Date and time of the 52nd Ordinary General Meeting of Shareholders: 10:00 a.m., Wednesday, June 26, 2024

*1 When there is no indication of “for” or “against” for an agenda item on the voting form, the Company shall treat it as an indication of “for.”

*2 Please be informed that any person other than a shareholder entitled to exercise the voting right such as any proxy or person accompanying a shareholder, who is not a shareholder of the Company, is not permitted to attend the meeting.

Handling of duplicate exercise of voting rights

- If you exercise your voting rights both via mail (in writing) and the internet, etc., we will consider only the vote via the internet, etc. to be valid.
- Also, if you vote a number of times over the internet, etc., we will consider the final vote to be the valid one.

Instructions for the Exercise of Voting Rights via the Internet

Scanning QR code “Smart voting”

You can login to the website for exercise of voting rights without having to enter your voting code and password.

1. Please scan the QR code located on the bottom right of the voting form.
* “QR code” is a registered trademark of DENSO WAVE INCORPORATED.
2. Please follow on-screen instructions to enter “for” or “against.”

Note that the exercise of voting rights by “Smart voting” is possible only one time.

If you wish to change the contents of your vote after exercising your voting rights, please access the PC version of the website, enter your “voting code” and your “password” described in the voting form, log in, and exercise your voting rights again.

* If you rescan the QR code, you can access the Website for Exercising Voting Rights for a personal computer.

Entering voting code and password

Voting website URL:
<https://www.web54.net>

1. Please access the website for exercise of voting rights.
2. Please enter your voting code provided on the voting form.
3. Please enter your password provided on the voting form.
4. Please follow on-screen instructions to enter “for” or “against.”

Inquiries regarding the exercise of voting rights via the internet

Dedicated phone line for Securities Agency Web Support, Sumitomo Mitsui Trust Bank, Limited

Phone: 0120-652-031

(9:00 a.m. to 9:00 p.m., available only in Japan)

Other inquiries

Stock Transfer Agency Business Planning Department, Sumitomo Mitsui Trust Bank, Limited

Phone: 0120-782-031

(9:00 a.m. to 5:00 p.m. on weekdays, available only in Japan)

You may not be able to use the website for exercise of voting rights depending on the internet environment, etc.

Any connection fees, such as telephone charges and telecommunications charges incurred by shareholders in exercising votes online, are to be borne by such shareholders.

Reference Materials for General Meeting of Shareholders

Proposal: Election of six members to the Board of Directors (excluding Directors who are Audit & Supervisory Committee Members)

Because the terms of office of all five Directors (excluding Directors who are Audit & Supervisory Committee Members; applicable to the rest of this proposal) expire at the conclusion of this General Meeting of Shareholders, this proposal requests the election of six Directors.

The Audit & Supervisory Committee has judged that all of the proposed candidates for Director are qualified.

Candidates for Directors are as follows:

No.	Name (Date of birth)	Resume, position and areas of responsibility at the Company, and significant concurrent positions outside the Company	Shares of the Company's stock owned
1	Kagemasa Kozuki (Nov. 12, 1940)	Mar. 1969 Founded Konami Mar. 1973 Established Konami Industries Co., Ltd. Jun. 1987 Representative Director, Chairman of the Company (to present) Significant concurrent positions: Chairman of the Board of Directors, Kozuki Foundation	172,456
2	Kimihiko Higashio (Sep. 24, 1959)	Sep. 1997 Joined the Company Jun. 2005 Director Jan. 2018 Director, Executive Vice President, Corporate Officer of Administration Jun. 2019 Representative Director, Executive Vice President Apr. 2020 Representative Director, President (to present) Apr. 2020 Representative Director, Chairman, Konami Digital Entertainment Co., Ltd. (to present) Apr. 2020 Director, Chairman, Konami Corporation of America (to present) Jul. 2020 Director, Chairman, Konami Gaming, Inc. (to present) Significant concurrent positions: Director, Kanto IT Software Health Insurance Association	30,445
3	Hideki Hayakawa (Jun. 17, 1970)	Sep. 1996 Joined the Company Apr. 2015 Representative Director, President, Konami Digital Entertainment Co., Ltd. (to present) Jun. 2017 Corporate Officer of the Company Jun. 2020 Director (to present) Significant concurrent positions: Representative Director, President, Konami Digital Entertainment Co., Ltd. Director, COMPUTER ENTERTAINMENT SUPPLIER'S ASSOCIATION (CESA) Chairman, Japan esports Union (JeSU)	1,531

No.	Name (Date of birth)	Resume, position and areas of responsibility at the Company, and significant concurrent positions outside the Company	Shares of the Company's stock owned
4	Katsunori Okita (Feb. 1, 1968)	Apr. 1990 Joined the Company Aug. 2016 Representative Director, President, Konami Amusement Co., Ltd. (to present) Jun. 2017 Corporate Officer of the Company Jun. 2020 Director (to present) Significant concurrent positions: Representative Director, President, Konami Amusement Co., Ltd. Director, Japan Amusement Industry Association Director, NIPPON DENDOSHIKI YUGIKIKOGYO KYODOKUMIAI	15,711
5	Yoshihiro Matsuura (Mar. 22, 1983)	Apr. 2005 Joined the Company Jun. 2009 General Manager, Nasu Office Jan. 2013 General Manager, President's Office Jun. 2017 Director (to present) Aug. 2019 General Manager, Secretarial Office (to present)	2,922
6 Newly appointed	Yoko Zetterlund (Mar. 24, 1969) Outside Female Foreign nationality	Apr. 2004 Director, office bronze CO., LTD. (to present) Apr. 2013 Associate Professor, Faculty of Management and Economics Kaetsu University Jun. 2017 Managing Director, Japan Sport Association Apr. 2019 Associate Professor, Faculty of Physical Education, Japan Women's College of Physical Education	—

- Notes: 1. No special interest exist between the Company and the proposed candidates for director.
2. Shares of the Company's stock owned by each candidate include the candidate's holdings in the KONAMI officers' stock ownership plan.
3. Ms. Yoko Zetterlund is a candidate for Outside Director.
4. The Company has registered Ms. Yoko Zetterlund as an Independent Director with the Tokyo Stock Exchange. If Ms. Zetterlund's election is approved, the Company plans to appoint her as an Independent Director.
5. The Konami Group has entered into a directors and officers liability insurance policy as provided for in Article 430-3, Paragraph (1) of the Companies Act with an insurance company. The insurance policy covers indemnification for losses the insured assumes liability for in relation to their execution of duties, or for litigation expenses, etc., arising from the insured being pursued for such liabilities. However, losses and costs personally incurred by directors and officers through criminal acts and intentional illegal activities, such as bribery, shall be reason for exemption under the policy as a measure to ensure that the proper performance of duties of officers, etc., is not impaired.
- The insured of the insurance policy are Officers and important members that execute operations, such as Corporate Officers, of the Konami Group.
- The full amount of the insurance premiums for the insurance policy is borne by the Company.
- The term of the policy is one year, and the Company plans to renew the policy before the expiration of that term by resolution of the Board of Directors.
6. Matters concerning the candidate for Outside Director are as follows:
- (1) Reasons for appointing her as the candidate for Outside Director and outline of expected role
- Ms. Yoko Zetterlund was born in California, USA, and is based in the USA and Japan, primarily in the fields of sports and education, and has been involved in company management for many years. Given her diverse experience and global insight, and in terms of diversity of board composition, we have decided to appoint this person as a candidate for Outside Director based on our judgment that she would make a significant contribution to the management of the Company's Board of Directors.
- (2) Outline of liability limitation agreement

If the appointment of Ms. Yoko Zetterlund is approved, the Company plans to enter into an agreement with her stipulating that liability set forth in Article 423, Paragraph (1) of the Companies Act of Japan shall not exceed the total amount set forth in the items of Article 425, Paragraph (1) of the Companies Act of Japan.

[Reference] Organizational Structure of the Board of Directors after the Proposal is Approved and Adopted

Assuming this proposal is approved and adopted as originally proposed, the composition of the Company's Board of Directors will be as follows.

The combined skills of the individual Directors create an appropriate Board of Directors without excesses or deficiencies, and the content of those skills are listed in the table below.

< Directors' Skill Matrix >

Title	Name	Diversity		Skill Matrix									
		Gender	Nationality	Management	Finance & Accounting	Legal Affairs Risk Management	Global Experience	Sustainability	PR IR Marketing	Development Technology	IT Systems	HR Labor Relations HR Development	Sports Education
Representative Director, Chairman	Kagemasa Kozuki	Male	Japan	●	●	●	●	●	●	●	●	●	●
Representative Director, President	Kimihiko Higashio	Male	Japan	●	●	●	●	●	●	●	●	●	●
Director	Hideki Hayakawa	Male	Japan	●		●	●			●	●	●	
Director	Katsunori Okita	Male	Japan	●		●	●				●	●	
Director	Yoshihiro Matsuura	Male	Japan			●		●					●
Director, Audit & Supervisory Committee Member (Outside)	Kaori Yamaguchi	Female	Japan				●	●				●	●
Director, Audit & Supervisory Committee Member (Outside)	Kimito Kubo	Male	Japan	●		●		●				●	●
Director, Audit & Supervisory Committee Member (Outside)	Yasushi Higuchi	Male	Japan	●	●	●		●	●				
Director (Outside)	Yoko Zetterlund	Female	United States	●			●		●				●

Business Report

(April 1, 2023 – March 31, 2024)

1. Business Performance

(1) Konami Group Business Conditions and Results

For the year ended March 31, 2024, the domestic economy has continued to recover moderately amid improvement in employment and personal income, despite concerns of inflation weighing on personal spending. On the other hand, the outlook on the world economy remains uncertain mainly due to the effects of monetary tightening by governments, concerns over the outlook on the Chinese economy and heightened geopolitical risks in the Middle East.

Amidst these circumstances, in terms of the business results of Konami Group for the year ended March 31, 2024, total revenue and business profit reached record highs in the Digital Entertainment business due to an improvement in the profit margin of its core content and the launch of new titles, while the Amusement, Gaming & Systems, and Sports businesses also performed well, resulting in both total revenue and business profit exceeding the previous fiscal year in each business. As a result, total revenue, business profit, operating profit, profit before income taxes and profit attributable to owners of the parent all reached record highs.

In terms of the consolidated results for the fiscal year ended March 31, 2024, total revenue amounted to ¥360,314 million (a year-on-year increase of 14.6%), business profit was ¥88,212 million (a year-on-year increase of 55.8%), operating profit was ¥80,262 million (a year-on-year increase of 73.8%), profit before income taxes was ¥82,685 million (a year-on-year increase of 75.5%), and profit attributable to owners of the parent was ¥59,171 million (a year-on-year increase of 69.6%).

Performance by Business Segment

Digital Entertainment

In the entertainment market, future development of game content is expected through the functional enhancement of various devices, including mobile devices and computer & video game consoles, and the spread of next generation communication systems. The ways in which content is enjoyed is becoming increasingly diversified, such as increased attention and growing fan bases for the eSports space, which treat video games as sports competitions, and gameplay videos.

Amidst these circumstances, as a new initiative for our business, we launched *Momotaro Dentetsu World - Chikyu wa Kibou de Mawatteru!*-, the latest title of the nationally popular board game series *Momotaro Dentetsu*. This title, which has shipped over a million units in total, has been well received by our customers. We also released *METAL GEAR SOLID: MASTER COLLECTION Vol.1*, the first installment of a collection that marks the trajectory of the *METAL GEAR* series. In the *PAWAFURU PUROYAKYU* series, we released *PAWAFURU PUROYAKYU Eikan Nine Cross Road*, which is the first new mobile baseball title in nine years of the series. Furthermore, we announced the appointment of Shohei Ohtani as an ambassador for KONAMI baseball games

in celebration of the 30th anniversary of the *PAWAFURU PUROYAKYU* series and the 20th anniversary of the *Professional Baseball Spirits* series, which received attention. We also launched *SILENT HILL: The Short Message*, the first new title in the *SILENT HILL* series of psychological horror games in over ten years since the launch of the previous title. The game is set in the present day and features familiar themes, such as social networking sites, to allow a younger generation—which has not previously been exposed to the psychological horror games—to experience the world of this genre. In addition, on “Resella,” an NFT marketplace for providing blockchain technology-based services, we began NFT trading of the web3 project “PROJECT ZIRCON.” Furthermore, we established a new organization, “KONAMI Animation,” with the goal of creating animated movies.

As a continuation of an existing initiative, we began the distribution of *eFootball™ 2024*—in which we implemented a massive update—for consoles, PC, and mobile platforms. We developed the game’s operability to allow users to play more intuitively. The addition of functionality such as the new *My League* mode has also been very well received. As a result, the total number of downloads has exceeded 700 million (750 million as of April 2024) worldwide. With respect to *PROFESSIONAL BASEBALL SPIRITS A (ACE)*, we implemented measures including the re-appearance of Samurai Japan players who participated in the World Baseball Classic™. As for *Yu-Gi-Oh! MASTER DUEL*, we implemented measures to commemorate 60 million downloads. Both titles continue to be well received by many of our customers. Furthermore, we held a special event “Yu-Gi-Oh! Duel Monsters: The Legend of Duelist QUARTER CENTURY” at the Tokyo Dome in February 2024 for the Yu-Gi-Oh! card game, which is developing a project to commemorate its 25th anniversary, that was attended by approximately 50,000 customers. On the day of the event, the response was highly enthusiastic, due to measures such as a booth where people could bring their own decks to have fun dueling, a live performance stage where people could enjoy well-known Yu-Gi-Oh! songs, and event-exclusive product sales.

In the eSports space, we held the tournament finals for *WBSC eBaseball™: POWER PROS*—the competition title for baseball in the “Olympics eSports Series 2023,” hosted by the International Olympic Committee (IOC)—as well as the world finals for the “eFootball™ Championship Open 2023,” and players fought in heated battles. The 2023 season was held for the “eBaseball Prospi A (Ace) League,” which we co-sponsor with the Nippon Professional Baseball Organization (NPB), and the best team was crowned at the e-Japan Series. Furthermore, the “Yu-Gi-Oh! World Championship 2023” to determine the world’s top duelist, an event which had been postponed in light of the COVID-19 situation and other factors, was held at Tokyo Big Sight for the first time in four years.

In terms of financial performance, total revenue for the fiscal year ended March 31, 2024 in this segment amounted to ¥249,121 million (a year-on-year increase of 16.7%) and business profit for the fiscal year ended March 31, 2024 amounted to ¥79,363 million (a year-on-year increase of 49.7%).

Amusement

Both domestic and international amusement markets are gradually recovering. In addition, deregulation in the sector is creating new opportunities for growth.

Amidst these circumstances, in our medal game business, the medal pusher game *Momotaro Dentetsu -Medal game mo teiban!-*, which was released in the previous fiscal year, continues to be well received by many of our customers. In addition, we began the operation of *ColorCoLotta Maboroshi no Togenkyo*, the latest entry of ball lottery games—in which players use balls to match colors with the cute “animas,” which are characters based on animal motifs. For video games targeted at amusement facilities in this business, we launched *Polaris Chord*, a new music game with simple controls which is easy for beginners to play, including a full lineup of popular songs with SNS buzz and songs by popular artists. In addition, we started operating *beatmania IIDX 31 EPOLIS*, the latest game in the DJ simulation game series, which features a worldview set in a near-future city and distinctive yellow lights on a new cabinet. In prize games, we launched the *Konami Online Crane Game (Kona-Crane)* service, which allows users to play crane games on their PCs and smartphones.

In the pachinko and pachislot machine space, we launched KONAMI’s first “smart pachislot” titles, *Boku girls Love Kyure 2* and *MAH-JONG FIGHT CLUB KAKUSEI*. In addition to that, *GI Derby Club Gold* was started its operation. Furthermore, we launched *Magical Halloween 8* in the market, which is a complete reproduction in a smart slot machine format of the long-running and popular *Magical Halloween 5*. This title has also maintained high utilization as the previous title.

In addition, we started the operation of *PACHINKO GI Derby Club 2 Lucky Trigger ver*, which is compliant with changes in pachinko regulations.

In the eSports space, the semifinals and finals for the “BEMANI PRO LEAGUE -SEASON 3- SOUND VOLTEX,” a pro league that fuses music and eSports, were held, and the championship team was chosen following three months of fierce competition after the season kickoff in January 2024. In conjunction with this, we also implemented in-game events to commemorate the “BEMANI PRO LEAGUE -SEASON 3-” being held. The events, which offered a new way to enjoy music games fused with the appeal of eSports, were met with a very enthusiastic response.

In terms of financial performance, total revenue for the fiscal year ended March 31, 2024 in this segment amounted to ¥26,427 million (a year-on-year increase of 35.3%) and business profit for the fiscal year ended March 31, 2024 amounted to ¥5,187 million (a year-on-year increase of 86.4%).

Gaming & Systems

In the gaming market, the North American market and the Australian market are growing steadily. The market is becoming active due to the constant introduction of new products by competitors.

Amidst these circumstances, in our slot machine business, we introduced the new *DIMENSION 43x3™* cabinet from the *DIMENSION* series, which features the combination of three 43-inch monitors. Also, sales of *DIMENSION 27™* and *DIMENSION 49™*, which feature a 4K super high resolution monitor grew steadily. In participation (revenue-sharing cabinets), we continued to expand sales of *DIMENSION 49J™* with a 49-inch J-curved monitor, and *DIMENSION 75C™* with a 75-inch curved monitor.

In the terms of gaming content, since our game contents are highly evaluated from the market, multiple titles from KONAMI were nominated in “Annual Eilers Krejcik Gaming Slot Award Show,” the award show that

recognizes excellence in slot game development. *All Aboard*[™] series is maintaining its positive reputation from customers. In addition, in the North American market, such titles as *Stuffed Coins Toad*[™] and *Dragon's Law Fortune Bags*[™] are also recording high performance. Furthermore, we introduced the newest *Unwooly Riches*[™] game series to the market, which players can enjoy delightful animations and effects brought from adorable animal characters. In the Australian market, *Bull Rush*[™] series maintained high performance.

In the casino management system, *SYNKROS*[®] went operational at Fontainebleau Las Vegas, a large-scale IR facility opened in Las Vegas in December 2023. The system's high reliability has been well received by casino operators, and the number of installations continues to grow.

In terms of financial performance, total revenue for the fiscal year ended March 31, 2024 in this segment amounted to ¥39,729 million (a year-on-year increase of 3.0%) and business profit for the fiscal year ended March 31, 2024 amounted to ¥6,213 million (a year-on-year increase of 20.2%).

Sports

In the sports market, rising energy prices continue to impact on business environment. Meanwhile, demands for sport and health promotion is growing due to the normalization of social and economic activities in Japan.

Amidst these circumstances, in our operation of sports clubs, we continued to enhance services offered inside the facilities by engaging in initiatives such as expanding the number of facilities with supplement servers, allowing users to consume protein drinks and other beverages at any time before and after exercise. We also promoted efforts to provide more customers with opportunities for exercise outside the facilities, such as special programs for "Konami Sports Online Fitness" in conjunction with Sports Day. In addition, we held "REVIVAL" and "UNITED FEEL," the large-scale studio program events, at Konami Sports Clubs nationwide. We implemented the programs that can be enjoyed by more people, as popular instructors appeared in those events to provide participants with a different kind of excitement from the regular studio programs. We will continue promoting initiatives to provide better support for the physical fitness of our members.

For the "Undo Juku" exercise circle aimed at children, we are developing a variety of options to suit children, including swimming, gymnastics, and dance, to encourage physical growth through sport. We have opened new swimming schools at 11 facilities for the fiscal year ended March 31, 2024, and we have expanded to a total of 115 facilities. In addition, we held competitions and events for children who attend "Undo Juku" as spaces for them to demonstrate the results of their daily practice in various events. In those events, activities including quick lessons on a single point by representatives of Japanese national teams and by professional athletes were held. We will continue to make efforts to support children's motivation and improvement of their skills through these initiatives. We also launched "Digital Note swimming school for adults," a leveraged version of "Undo Juku Digital Note" which utilizes video and AI to improve the effectiveness of training, as a program for adults at 59 Konami Sports Clubs nationwide.

For "Pilates Mirror," machine Pilates studios with mirrors on the ceiling, we opened 18 new studios in Tokyo and Kanagawa, bringing the total to 23. "Pilates Mirror" has been well received by many customers, with some of the studios having waiting lists for membership.

With regard to the operation of outsourced facilities, a form of business that expands our network without ownership of assets, we leveraged our previously developed operational and leadership expertise, as well as our accomplishments, to promote our businesses, and began new contracted operations of sports facilities such as Tsugaru City, Aomori, Saitama City, Saitama, Asahi City, Chiba, Toshima-ku, Tokyo, Chuo-ku, Tokyo, and Gifu City, Gifu.

In regard to growing school needs for outsourcing of swimming classes, we are providing swimming instruction services at many elementary and junior high schools throughout Japan, which have been well received.

In terms of financial performance, total revenue for the fiscal year ended March 31, 2024 in this segment amounted to ¥47,631 million (a year-on-year increase of 4.7%) and business profit for the fiscal year ended March 31, 2024 amounted to ¥2,328 million (a year-on-year increase of 415.8%).

(2) Capital Expenditures and Financing Activities

Capital expenditures in the consolidated fiscal year ended March 31, 2024 totaled ¥30,595 million. This primarily consisted of the cost of game content creation and related equipment purchases.

With respect to financing, Konami Group provided the necessary funds during the consolidated fiscal year ended March 31, 2024 using its own funds. The Company will continue to endeavor to secure adequate short-term liquidity and credit lines for fund-raising to finance dynamic business development.

(3) Trend of Assets and Business Results

1. Financial and business results of Konami Group (IFRS)

(Millions of Yen, except per share data)

Fiscal year Years ended	The 49 th (March 31, 2021)	The 50 th (March 31, 2022)	The 51 st (March 31, 2023)	The 52 nd (March 31, 2024)
Total revenue	272,656	299,522	314,321	360,314
Operating profit	36,550	74,435	46,185	80,262
Profit attributable to owners of the parent	32,261	54,806	34,895	59,171
Basic earnings per share (Yen)	242.17	410.80	258.81	436.50
Total assets	489,006	528,613	547,223	605,850
Total equity attributable to owners of the parent	298,727	348,061	376,264	427,362

2. Financial and business results of the Company (Japanese GAAP)

(Millions of Yen, except per share data)

Fiscal year Years ended	The 49 th (March 31, 2021)	The 50 th (March 31, 2022)	The 51 st (March 31, 2023)	The 52 nd (March 31, 2024)
Operating revenue	52,495	19,686	48,576	36,686
Ordinary profit	50,153	16,649	44,997	32,673
Profit	13,909	16,421	44,322	32,115
Basic earnings per share (Yen)	104.41	123.09	328.73	236.92
Total assets	329,278	336,617	351,413	366,557
Total net assets	248,728	255,098	287,842	303,183

(4) Issues for the Konami Group

Responding appropriately to rapid changes in the business environment

Since its founding in 1969, the Konami Group has cherished the foresight and enduring challenging spirit of grasping the needs of the society, having achieved development to date amid a variety of changes in people's hobbies, tastes, and technologies.

The environment surrounding our businesses—Digital Entertainment, Amusement, Gaming & Systems, and Sports—requires us to respond to the evolution of technology and changes in socioeconomic conditions.

The evolution of technology has brought about various changes in people's lives. New technologies in the digital field such as Web3.0, NFT, AI, VR/AR, and 5G/6G will also have a significant impact on the business environment in the future. These technologies will further enhance the value of our intangible assets such as content and development capabilities, enable us to take on the challenge of creating new user experiences, and provide many opportunities for growth.

In addition, in order to respond to changes in the socioeconomic situation, such as the aging society and heightened geopolitical risks, it is necessary for us to continue to transform ourselves with a sense of speed. We will strive to achieve sustainable growth and enhance corporate value by responding to these changes and constantly globally providing innovative and cutting-edge products and services that capture the era's crest of the wave.

Channeling managerial resources to realize business growth

In the Digital Entertainment business, with the rapid penetration of online-based entertainment, we expect people to have increased opportunities to play games, and such needs to become increasingly diverse. Under such environment we intend to propose new ways that will allow more people to enjoy playing games, regardless of types of devices. At the same time as aiming to further expand the earnings base of our existing core content, we will advance initiatives that establish a new earnings pillar by fully leveraging on the IPs we have created throughout our history. In addition, we will create new user experiences through game content development utilizing cutting-edge technologies and eSports, which treat video games as sports. We will also take on the challenge of entering new business domains utilizing the technologies and know-how cultivated in game production.

In the Amusement business, the Konami Group will accurately respond to changes in playing styles, user preferences, and various regulations surrounding the business by drawing on its long-accumulated expertise in entertainment. In addition, we will strengthen our business development by effectively utilizing IP within Konami Group, and work to revitalize the market through eSports. Furthermore, we will continue to pursue greater manufacturing efficiency and product quality, enter new businesses and expand overseas businesses.

In the Gaming & Systems business, the number of countries and regions where casinos have become legalized is increasing year by year. Amidst these circumstances, we will further strengthen our gaming content and expand our product and service lineup to enhance our presence in the market. In addition, we will work to further expand its business of casino management systems, which are highly regarded for

their high reliability, by developing functions that apply new technologies.

In the Sports business, contributing to the promotion of health through exercise has a significant social impact, and we believe that the role and responsibility of this segment has become increasingly important in recent years. In addition, needs related to exercise and sports are becoming more diverse. By continuing to propose a wide range of services to meet such needs, we will be striving to increase opportunities for everyone to be involved in sports in their daily lives. We will also endeavor to solve social issues by offering swimming lessons at elementary and junior high schools in various regions and providing health promotion support to municipalities.

Promotion of sustainability management

The Konami Group has implemented various initiatives in its businesses to contribute to the achievement of SDGs. The Sustainability Committee and the Health and Productivity Management Promotion Committee, both chaired and presided over by the Company's Representative Director and President, play a central role in discussions, and the entire group is actively engaged in sustainability activities. The progress of the sustainability activities is periodically reported to the Board of Director for review.

(1) Human capital

We believe that the health of our employees is essential for the sustainable development of the Konami Group. With this, we are strengthening our "Health and Productivity Management" initiatives with the aim of creating an environment where each and every employee can achieve their full potential and grow alongside the company. As a result, we have been listed on the "White 500 List" jointly compiled by the Ministry of Economy, Trade and Industry and Nippon Kenko Kaigi for eight consecutive years since 2017 for being a company that practices excellent health and productivity management in cooperation with insurers. Going forward, we will continue to improve the working environment and systems for our employees to work efficiently and encourage activities aimed at achieving even greater results.

(2) Climate change

Countermeasures for global warming has become a common and long-term global issue, with 120 countries and regions setting carbon neutrality as a goal for 2050. Companies are required to disclose information related to climate change and to consider countermeasures. Konami Group began disclosing information in line with the TCFD recommendations in May 2022, and will continue to work on improving the content of this information. We are also promoting initiatives to reduce carbon dioxide (CO₂) emissions by installing solar power generation equipment and switching to LED lighting at company-owned offices. In order to create a sustainable society in which future generations can live with peace of mind, we will step up efforts to realize a carbon-neutral, decarbonized society.

By responding to rapid changes in the business environment and working together with our stakeholders to achieve both business growth and a sustainable society, Konami Group aims to be an enterprise that is always expected and needed by the society.

We would appreciate your kind support and cooperation.

(5) Principal Business (as of March 31, 2024)

The principal businesses of the Konami Group are as shown below:

- | | |
|--|---|
| <i>1. Digital Entertainment Business</i> | Production, manufacture and sale of digital content and related products including mobile games, computer & video games and card games. |
| <i>2. Amusement Business</i> | Production, manufacture and sale of amusement machines. |
| <i>3. Gaming & Systems Business</i> | Production, manufacture, sale and service of gaming machines and casino management systems. |
| <i>4. Sports Business</i> | Operation of fitness activities and sports classes, including swimming, gymnastics, dance, soccer, tennis, and golf, and production and sale of sports related goods. |

(6) Main Konami Group Offices (as of March 31, 2024)

Holding company

KONAMI GROUP CORPORATION	Chuo-ku, Tokyo
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Operating companies in Japan

Konami Digital Entertainment Co., Ltd.	Chuo-ku, Tokyo
Konami Amusement Co., Ltd.	Ichinomiya-shi, Aichi
Konami Sports Co., Ltd.	Shinagawa-ku, Tokyo

Operating companies overseas

Konami Digital Entertainment, Inc.	USA
Konami Cross Media NY, Inc.	USA
Konami Gaming, Inc.	USA
Konami Australia Pty Ltd	Australia
Konami Digital Entertainment B.V.	UK
Konami Digital Entertainment Limited	Hong Kong

(7) Employees (as of March 31, 2024)

1. Konami Group

Business segment	Number of employees	Change from end of previous fiscal year
Digital Entertainment Business	2,108	29
Amusement Business	830	(7)
Gaming & Systems Business	621	24
Sports Business	837	(61)
Corporate	494	24
Total	4,890	9

Notes: 1. Employees refer to Konami Group, including KONAMI GROUP CORPORATION, full-time personnel.

2. Employees classified as Corporate are administrative staff not assigned to any particular business segment.

2. The Company

Number of employees	Change from end of previous fiscal year
228	14

Note: Employees refer to KONAMI GROUP CORPORATION full-time personnel.

(8) Major Subsidiaries (as of March 31, 2024)

Company	Capital	Equity ratio (%)	Major businesses
Konami Digital Entertainment Co., Ltd.	¥200 million	100.0	Planning, production, manufacture and sale of mobile games, computer & video games, card games, etc.
Konami Amusement Co., Ltd.	¥100 million	100.0	Production, manufacture and sale of amusement machines.
Konami Sports Co., Ltd.	¥100 million	100.0	Operation of fitness clubs and sports classes, including swimming, gymnastics, dance, soccer, tennis and golf, and development, manufacture and sale of sports related goods.
Konami Corporation of America	US\$35,500 thousand	100.0	Holding company in USA.
Konami Digital Entertainment, Inc.	US\$21,500 thousand	(100.0) 100.0	The digital entertainment business and amusement business in USA.
Konami Cross Media NY, Inc.	US\$10	(100.0) 100.0	Planning, production, distribution and license management of entertainment content in USA, etc.
Konami Gaming, Inc.	US\$25,000 thousand	(100.0) 100.0	Production, manufacture, sale and service of gaming machines in USA, etc.
Konami Digital Entertainment B.V.	Eur 9,019 thousand	100.0	The digital entertainment business and amusement business in Europe.
Konami Digital Entertainment Limited	HK\$19,500 thousand	100.0	The digital entertainment business in Asia.
Konami Australia Pty Ltd	A\$30,000 thousand	(100.0) 100.0	Production, manufacture, sale and service of gaming machines in Australia, etc.

Notes: 1. Percentage of Equity ratio shown in parentheses is indirect ownership percentage, and is included in the percentage indicated in the second line.

2. The Company consolidates 24 companies, including the major subsidiaries listed above, and applies the equity method to one affiliated company.

2. Status of shares of the Company

Status of Shares (as of March 31, 2024)

1. Number of shares authorized: 450,000,000
2. Number of shares issued: 143,500,000
3. Number of shareholders: 21,710
4. The 10 largest shareholders:

Shareholder	Number of shares (thousand)	Shareholding Ratio (%)
The Master Trust Bank of Japan, Ltd. (Trust Account)	28,039	20.68
Kozuki Foundation	17,100	12.61
KOZUKI HOLDING B.V.	15,700	11.58
Custody Bank of Japan, Ltd. (Trust Account)	15,107	11.14
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	2,323	1.71
STATE STREET BANK WEST CLIENT-TREATY 505234	1,886	1.39
JPMorgan Securities Japan Co., Ltd.	1,357	1.00

Note: The above shareholding ratios are calculated after the deduction of treasury shares (7,942 thousand shares).

3. Officers of the Company

(1) Directors (as of March 31, 2024)

Position	Name	Areas of responsibility and primary duties at the Company, and significant concurrent positions outside the Company
Representative Director, Chairman	Kagemasa Kozuki	Chairman of the Board of Directors, Kozuki Foundation
Representative Director, President	Kimihiko Higashio	Representative Director, Chairman, Konami Digital Entertainment Co., Ltd. Director, Chairman, Konami Corporation of America Director, Chairman, Konami Gaming, Inc. Director, Kanto IT Software Health Insurance Association
Director	Hideki Hayakawa	Representative Director, President, Konami Digital Entertainment Co., Ltd. Director, COMPUTER ENTERTAINMENT SUPPLIER'S ASSOCIATION (CESA) Chairman, Japan esports Union (JeSU)
Director	Katsunori Okita	Representative Director, President, Konami Amusement Co., Ltd. Director, Japan Amusement Industry Association Director, NIPPON DENDOSHIKI YUGIKIKOGYO KYODOKUMIAI
Director	Yoshihiro Matsuura	General Manager, Secretarial Office
Director (Audit & Supervisory Committee Member)	Kaori Yamaguchi	Professor, Faculty of Health and Sport Sciences, University of Tsukuba Outside Director, Nippon BS Broadcasting Corporation
Director (Audit & Supervisory Committee Member)	Kimito Kubo	Chairman of the Board of Trustees, Educational Corporation Shobi Gakuen, and University President, Shobi University
Director (Audit & Supervisory Committee Member)	Yasushi Higuchi	Outside Director, TOKYO ROPE MFG. CO., LTD.

- Notes: 1. Three Directors, Ms. Kaori Yamaguchi, Mr. Kimito Kubo and Mr. Yasushi Higuchi are the Outside Directors provided for in Item 15 of Article 2 of the Companies Act of Japan.
2. The Company has appointed three Directors, Ms. Kaori Yamaguchi, Mr. Kimito Kubo and Mr. Yasushi Higuchi, as Independent Directors as provided for in the regulations of the Tokyo Stock Exchange, Inc., and has notified them to the Exchange.
3. There are no special relationships between the Company and any of the companies in which the Outside Directors of the Company hold significant concurrent positions.
4. The Audit & Supervisory Committee leads a systematic audit through an internal control system as a Company with an Audit & Supervisory Committee, and therefore does not necessarily require the appointing of a full-time member. Hence, a full-time Audit & Supervisory Committee member has not been selected.

(2) Outline of liability limitation agreement

The Company and Outside Directors have entered into an agreement stipulating that liability set forth in Article 423, Paragraph (1) of the Companies Act of Japan shall not exceed the total amount set forth in the items of Article 425, Paragraph (1) of the Companies Act of Japan.

(3) Outline of the contents of directors and officers liability insurance

The Konami Group has entered into a directors and officers liability insurance policy as provided for in Article 430-3, Paragraph (1) of the Companies Act with an insurance company. The insurance policy covers indemnification for losses the insured assumes liability for in relation to their execution of duties, or for litigation expenses, etc., arising from the insured being pursued for such liabilities. However, losses and costs personally incurred by directors and officers through criminal acts and intentional illegal activities, such as bribery, shall be reason for exemption under the policy as a measure to ensure that the proper performance of duties of officers, etc., is not impaired.

The insured of the insurance policy are Officers and important members that execute operations, such as Corporate Officers, of the Konami Group.

The full amount of the insurance premiums for the insurance policy is borne by the Company.

The term of the policy is one year, and the Company plans to renew the policy before the expiration of that term by resolution of the Board of Directors.

(4) Remuneration, etc. of Directors

1. Policy, etc. on decision about the contents of the remuneration, etc. of officers

The Company's policy regarding the determination of the amount of remuneration, etc. of officers or the method of calculation thereof is determined by the Board of Directors. The content of the policy depends on corporate performance trends and other factors and is determined by evaluating the contribution of each officer to achieving financial results and performing corporate management in light of whether or not the officer has the right to represent the company, a title, a role and a responsibility, and is full-time or part-time.

Remuneration amount of individual Directors, excluding Directors who are Audit & Supervisory Committee Members, are set within the maximum total approved by resolution at the General Meeting of Shareholders. The Board of Directors entrusts the Compensation Advisory Committee to decide the individual remuneration of Directors (excluding Directors who are Audit & Supervisory Committee Members). The committee decides the individual remuneration by comparing their amount with average levels in society and examining the compensation structure and other factors.

The maximum total amount of remuneration for Directors who are Audit & Supervisory Committee Members is determined by the resolution of the General Meeting of Shareholders. The amount of remuneration for each individual is set through discussions among Directors who are Audit & Supervisory Committee Members within the maximum total.

The maximum amount of remuneration for Directors was determined by resolution of the 49th Ordinary General Meeting of Shareholders held on June 24, 2021. The resolution set the maximum amount of annual remuneration for Directors (excluding Directors who are Audit & Supervisory Committee Members) at ¥875 million and the maximum amount of annual remuneration for Directors

who are Audit & Supervisory Committee Members at ¥98.5 million. At the close of the said General Meeting of Shareholders, there were five Directors (excluding Directors who are Audit & Supervisory Committee Members) and three Directors who are Audit & Supervisory Committee Members (of which, three were Outside Directors).

The contents of individual remuneration, etc. of Directors (excluding Directors who are Audit & Supervisory Committee Members) for the fiscal year under review were determined by the Compensation Advisory Committee, with the Board of Director's delegation, since the members of the Compensation Advisory Committee monitor the status of execution of duties by all Directors. The Compensation Advisory Committee consists of independent Outside Director Kimito Kubo (Committee Chair), independent Outside Director Kaori Yamaguchi, independent Outside Director Yasushi Higuchi, Representative Director, President Kimihiko Higashio and Director Yoshihiro Matsuura. The Compensation Advisory Committee held two meetings in 2023 in the process of determining the amount of remuneration for the fiscal year under review.

The Board of Directors entrusts the Compensation Advisory Committee, whose majority is Outside Directors, to determine the amount and contents of remuneration of Directors (excluding Directors who are Audit and Supervisory Committee Members) for the fiscal year under review. Since the Compensation Advisory Committee comprehensively evaluates each Director's duties, contribution to achieving financial results and performing corporate management, the Company judges that the amount and contents of remuneration are in line with the policy determined by the Board of Directors.

Remuneration, etc. that Directors of the Company receive during the fiscal year under review is only fixed-amount compensation.

As for the timing for granting remuneration, to Directors, the determined amount of remuneration, etc. shall be divided by 12, and paid monthly during their tenure.

2. Total amount, etc. of remuneration, etc. for the fiscal year under review

Classification	Total remuneration, etc. (Millions of Yen)	Total remuneration, etc. by category (Millions of Yen)			Number of paid officers (people)
		Fixed remuneration, etc.	Performance-based remuneration, etc.	Non-monetary remuneration, etc.	
Directors (excluding Audit & Supervisory Committee Members)	467	467	—	—	5
(Of which, Outside Directors)	(-)	(-)	—	—	(-)
Directors (Audit & Supervisory Committee Members)	42	42	—	—	4
(Of which, Outside Directors)	(42)	(42)	—	—	(4)

Notes: 1. The above table includes one Director who is an Audit & Supervisory Committee Member retired due to expiration of term of office at the close of the 51st Ordinary General Meeting of Shareholders held on June 28, 2023.

2. The total amount of remuneration, etc. for Directors does not include employee salaries for those who are employees and Directors concurrently.

3. Retirement benefits for Directors (and other officers) paid during the fiscal year under review

Retirement benefits for Directors were abolished at the close of the 28th Ordinary General Meeting of Shareholders held on June 23, 2000.

4. Total amount of remuneration, etc. of officers received by Outside Directors from subsidiaries, etc. of the Company

During the fiscal year under review, Outside Directors did not receive any remuneration, etc. as officers from subsidiaries, etc. of the Company (excluding the Company).

(5) Outside Officers

Major activities in the fiscal year under review

Category	Name	Status of attendance, status of remarks, and the outline of duties performed relating to the roles expected of Outside Directors
Director	Kaori Yamaguchi	Attended all the 9 meetings of the Board of Directors and all the 9 meetings of the Audit & Supervisory Committee held during the fiscal year under review and, based on her abundant achievements and knowledge in the field of education and sports, made necessary statements concerning deliberations on propositions, etc., from an objective and neutral perspective.
	Kimito Kubo	Attended all the 9 meetings of the Board of Directors and all the 9 meetings of the Audit & Supervisory Committee held during the fiscal year under review and, based on his abundant experience and knowledge in the field of education/culture and sports, made necessary statements concerning deliberations on propositions, etc., from an objective and neutral perspective.
	Yasushi Higuchi	After taking office on June 28, 2023, he attended all the 6 meetings of the Board of Directors and all the 6 meetings of the Audit & Supervisory Committee held during the fiscal year under review and, based on his abundant experience and achievements as a corporate executive, made necessary statements concerning deliberations on propositions, etc., from an objective and neutral perspective.

4. Status of Accounting Auditor

(1) Name of Accounting Auditor: PricewaterhouseCoopers Japan LLC*

Note: PricewaterhouseCoopers Aarata LLC merged with PricewaterhouseCoopers Kyoto on December 1, 2023, and changed its name to PricewaterhouseCoopers Japan LLC.

(2) Amount of Remuneration, etc.

- | | |
|---|-----------------|
| 1. Amount of remuneration, etc. paid to the accounting auditor during the fiscal year under review | 98 million yen |
| 2. Total of money and other financial benefits to be paid by the Company and its subsidiaries to the accounting auditor | 150 million yen |

Notes: 1. The amounts of remuneration, etc. for the audit based on the Companies Act of Japan and the audit based on the Financial Instruments and Exchange Act are not clearly divided, and cannot be divided substantially, based on the auditing agreement between the Company and the accounting auditor. Therefore, the total of these amounts is shown in the amount of remuneration, etc. shown in 1.

2. In consideration of “Practical Guidelines on Collaboration with Accounting Auditors” published by the Japan Audit & Supervisory Board Members Association, the Audit & Supervisory Committee verified and considered the audit plan of the accounting auditors, as well as their accounting audit procedures and platform. As a result, the Audit & Supervisory Committee consented to the accounting auditors’ remuneration, etc. pursuant to Article 399, Paragraph (1) of the Companies Act of Japan.

3. Of the important subsidiaries of the Company, overseas subsidiaries underwent an audit by a certified public accountant or an audit firm other than the accounting auditor of the Company.

(3) Policy on Decision about the Dismissal or Non-reappointment of an Accounting Auditor

When it is acknowledged that an accounting auditor is subject to one of the Items of Article 340, Paragraph (1) of the Companies Act of Japan, the Audit & Supervisory Committee will dismiss the accounting auditor with the approval of all Audit & Supervisory Committee Members.

Besides the foregoing, when it is deemed appropriate to dismiss or not reappoint the accounting auditor due to such reasons as difficulties for the accounting auditor to perform its duties, the Audit & Supervisory Committee decides details of a proposal on the dismissal or non-reappointment of the accounting auditor to be presented to the General Meeting of Shareholders.

5. Outline of system to secure operational adequacy and its operating state

(1) Systems to Ensure Appropriate Operations

An outline of matters resolved at a meeting of the Board of Directors as a system for the Company to ensure appropriate business operations is shown below:

1. A system to ensure that the duties of officers and employees of the corporate group comprising KONAMI GROUP CORPORATION and its subsidiaries (the “Konami Group”) are executed in conformance with laws and ordinances, as well as the Articles of Incorporation

(i) To ensure that corporate activities are pursued in conformance with high ethical standards, we establish the KONAMI GROUP CORPORATE CONDUCT CHARTER. Moreover, as specific guidelines for the code, we establish the KONAMI GROUP CODE OF BUSINESS CONDUCT AND ETHICS, by developing the “Konami Group Compliance Policy” thereby demonstrating the importance of complying with laws and ordinances. In addition, the management ensures that it rigorously communicates the provisions of the guidelines to officers and employees of the Konami Group.

(ii) The Company has in place the Compliance Committee as a body to enhance the effectiveness of compliance by officers and employees of the Konami Group.

(iii) The Company has in place a whistleblowing system as a function to curb illegal acts, and strives to prevent improper incidents from occurring.

(iv) The Company strives to ensure that officers and employees of the Konami Group do not have any involvement with anti-social forces and organizations, and that any unfair demand by such is handled resolutely in cooperation with the police and/or other authorities.

2. System concerning the retention and control of information on the execution of duties within the Konami Group

(i) Information on the execution of duties by the Company’s Directors is retained and controlled appropriately by developing rules and regulations on information management, while specifying significant documents and defining the form of their retention.

(ii) Regarding information on the execution of duties by the Company’s subsidiaries, the Company has control regulations for subsidiaries and affiliate company in place, which provide that individual subsidiaries shall report significant corporate management information and other necessary information to the Company.

3. Regulations and other systems for managing risk of losses for the Konami Group

(i) The Company develops the “Konami Group Risk Management Rules” to avoid risks and minimize losses for the entire Group.

(ii) The Company and its key subsidiaries have a Risk Management Committee etc., in place as a body to centrally identify and appropriately address risks.

(iii) The Company has an Information Security Committee in place for the purpose of promoting the protection of personal information and the enhancement of data security of the Konami Group.

4. System to ensure the efficient execution of duties by Directors of the Konami Group

To define the duties and authority of Directors, the Company has in place regulations on the segregation of duties and authority, and a system conforming to the regulations is also established at individual subsidiaries.

5. System to secure the appropriateness of the Konami Group's operations

(i) To ensure that individual group companies' business operations are performed in an appropriate and harmonious manner, in its capacity as a holding company, the Company administers the entire Group's business operations by adequately exercising voting rights.

(ii) All Konami Group companies implement internal control system development, risk control, and compliance in a consistent manner, seeking to build a unified group management structure.

(iii) The Company's Audit & Supervisory Committee seeks to build a group audit platform by working in cooperation with Corporate Auditors of individual subsidiaries to appropriately support necessary collaboration.

6. Matters related to employee(s) who is requested by an Audit & Supervisory Committee to serve as an employee charged with assisting its duties ("Assistant Employee")

If an Audit & Supervisory Committee requests the assignment of Assistant Employee, the management assigns an employee equipped with sufficient specialized skills to provide assistance such as a member of the General Affairs Division.

7. Matters related to securing the independence of the Assistant Employee from the Company's Directors and the effectiveness of the Audit & Supervisory Committee's instructions to the Assistant Employee

(i) An Audit & Supervisory Committee may express an opinion on the selection and staff evaluation of the Assistant Employee to be assigned.

(ii) The Assistant Employee assigned shall perform assistance duties under the instructions and orders of the Audit & Supervisory Committee without receiving directions from any Director (excluding Audit & Supervisory Committee Members).

8. System for reporting to Audit & Supervisory Committee

The Konami Group shall establish standards for determining matters required to be reported to the Company's Audit & Supervisory Committee by its officers and employees.

9. Matters concerning the policy on advance payment and reimbursement procedures for expenses arising from the execution of duties by the Audit & Supervisory Committee, as well as the processing of other expenses or obligations that arise in the execution of duties

(i) A budget is set for Audit & Supervisory Committee to execute their duties on an annual basis.

(ii) If, in relation to the execution of duties, an Audit & Supervisory Committee Member requests advance

payment of expenses pursuant to Article 399-2 Paragraph (4) of the Companies Act of Japan, the expenses or obligation are processed promptly with the exception of cases where it is not deemed necessary for the execution of duties.

10. Other systems to ensure that audits of Audit & Supervisory Committee are conducted effectively

Audit & Supervisory Committee, if deeming it necessary for the execution of duties, may request experts such as a lawyer and certified public accountant to provide opinions and advice.

(2) Outline of operation of the system

1. Compliance initiatives

(i) The Konami Group's internal network pages contain significant codes and guidelines for its officers and employees, such as its corporate philosophy, the KONAMI GROUP CORPORATE CONDUCT CHARTER, and the KONAMI GROUP CODE OF BUSINESS CONDUCT AND ETHICS, thereby allowing them to be viewed by all officers and employees at all times.

(ii) To ensure and increase the effectiveness of compliance with laws and regulations by the Konami Group's officers and employees, the Konami Group periodically holds Compliance Committee meetings. In addition, Konami Group established Konami Group Compliance Policy and provided compliance training program through e-learning.

(iii) The Konami Group has in place a whistleblowing system, including an external notification desk, as a system that is independent from the management and regularly informs officers and employees of Konami Group of the said system. In the fiscal year under review, we did not experience any instance of an internal notification concerning a significant breach of laws or ordinances.

2. Risk control initiatives

(i) The Risk Management Committee in place at the Company performed risk control over the entire Konami Group. A Risk Management Committee has been in place at key Group companies and offices and has been kept ready to handle any crisis promptly for every risk incident.

(ii) It is stipulated that, in the event of a major accident or disaster, the Konami Group may set up an emergency management headquarters following a decision of the Representative Director, President of the Company.

3. Internal control initiatives at the Konami Group

(i) Significant decision-making at the Konami Group is, pursuant to regulations regarding duties and authority, done through an electronic approval procedure, in principle, and prompt and efficient internal control is implemented.

(ii) In its capacity as the holding company, the Company exercises voting rights appropriately for determining matters required to be deliberated at the General Meeting of Shareholders for resolution, including structure of officers and significant matters of group companies, thereby ensuring that the entire Group's business operations are performed smoothly.

(iii) The Company's Internal Control Office assesses the effectiveness of the entire Group's internal controls in major operating processes, while exchanging opinions with accounting auditors and Audit & Supervisory Committee on a regular basis.

6. Policy on decisions about dividends from retained earnings, etc.

The Company believes that the provision of dividends and the enhancement of corporate value are important ways to return profits to our shareholders. It is our policy to emphasize payment of dividends with a target consolidated payout ratio of 30% or more. In addition, we intend to use retained earnings to invest in areas with good future prospect in order to strengthen our competitiveness and achieve continuous growth.

The year-end dividend for the fiscal year ended March 31, 2024 will be ¥69 per share. As a result, the dividends on an annual basis will be ¥131 per share including the distributed interim dividend (¥62 per share).

Consolidated Statement of Financial Position

(As of March 31, 2024)

(Millions of Yen)

ASSETS:		LIABILITIES AND EQUITY:	
Current assets	¥343,860	Current liabilities	¥85,926
Cash and cash equivalents	273,747	Other financial liabilities	9,263
Trade and other receivables	43,887	Trade and other payables	44,257
Inventories	13,764	Income tax payables	10,615
Income tax receivables	603	Other current liabilities	21,791
Other current assets	11,859	Non-current liabilities	¥92,546
Non-current assets	¥261,990	Bonds and borrowings	59,862
Property, plant and equipment, net	154,454	Other financial liabilities	20,262
Goodwill and intangible assets	57,226	Provisions	9,527
Investments accounted for using the equity method	3,456	Deferred tax liabilities	1,192
Other investments	1,768	Other non-current liabilities	1,703
Other financial assets	15,300	Total liabilities	¥178,472
Deferred tax assets	28,275	EQUITY:	
Other non-current assets	1,511	Total equity attributable to owners of the parent	427,362
		Share capital	47,399
		Share premium	78,144
		Treasury shares	(21,603)
		Other components of equity	20,625
		Retained earnings	302,797
		Non-controlling interests	¥16
		Total equity	¥427,378
Total assets	¥605,850	Total liabilities and equity	¥605,850

Consolidated Statement of Profit or Loss

(Year ended March 31, 2024)

(Millions of Yen)

Revenue	¥360,314
Cost of revenue	(200,277)
Gross profit	160,037
Selling, general and administrative expenses	(71,825)
Other income and other expenses, net	(7,950)
Operating profit	80,262
Finance income	2,814
Finance costs	(665)
Profit from investments accounted for using the equity method	274
Profit before income taxes	82,685
Income taxes	(23,513)
Profit for the year	59,172
Profit attributable to:	
Owners of the parent	59,171
Non-controlling interests	¥1

Consolidated Statement of Changes in Equity

(Year ended March 31, 2024)

(Millions of Yen)

	Equity attributable to owners of the parent						Non-controlling interests	Total equity
	Share capital	Share premium	Treasury shares	Other components of equity	Retained earnings	Total		
Balance at April 1, 2023	¥47,399	¥78,144	¥(21,594)	¥11,880	¥260,435	¥376,264	¥15	¥376,279
Profit for the year					59,171	59,171	1	59,172
Other comprehensive income				8,745		8,745		8,745
Total comprehensive income for the year	-	-	-	8,745	59,171	67,916	1	67,917
Purchase of treasury shares			(9)			(9)		(9)
Disposal of treasury shares		0	0			0		0
Dividends					(16,809)	(16,809)		(16,809)
Total transactions with the owners	-	0	(9)	-	(16,809)	(16,818)	-	(16,818)
Balance at March 31, 2024	¥47,399	¥78,144	¥(21,603)	¥20,625	¥302,797	¥427,362	¥16	¥427,378

Notes to Consolidated Financial Statements

Basic Significant Matters Regarding Preparation of Consolidated Financial Statements

Scope of Consolidation

1. Number of consolidated subsidiaries: 24
2. Name of principal consolidated subsidiaries
 - Konami Digital Entertainment Co., Ltd.
 - Konami Amusement Co., Ltd.
 - Konami Sports Co., Ltd.
 - Konami Corporation of America
 - Konami Digital Entertainment, Inc.
 - Konami Cross Media NY, Inc.
 - Konami Gaming, Inc.
 - Konami Digital Entertainment B.V.
 - Konami Digital Entertainment Limited
 - Konami Australia Pty Ltd

Application of Equity Method

1. Number of equity-method associate: 1
2. Name of the equity-method associate: RESOL HOLDINGS Co., Ltd.

Accounting Policies

1. Basis of preparation for Consolidated Financial Statements

Consolidated Financial Statements of the Company have been prepared in accordance with International Financial Reporting Standards (IFRS), in compliance with Article 120, Paragraph (1), of the Regulation on Corporate Accounting of Japan. However, in compliance with the second sentence of the paragraph, certain disclosures required on the basis of IFRS are omitted.

2. Inventories

Inventories are measured at the lower of cost or net realizable value; the company uses the weighted average method to determine the cost of inventories. Net realizable value is the estimated selling price of inventories in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

3. Property, plant and equipment, net

(1) Recognition and measurement

Property, plant and equipment are recognized at cost less any accumulated depreciation and any accumulated impairment losses.

The cost includes any costs directly attributable to the acquisition of the assets, the initial estimate of the costs of dismantling and removing the items and restoring the site on which they are located, and borrowing costs eligible for capitalization. If components of an item of property, plant and equipment have different useful lives, each component is recognized as a separate item of property, plant and equipment.

(2) Subsequent expenditures

Subsequent expenditures on property, plant and equipment for the ordinary repairs and maintenance are recognized as expenses when incurred. Expenditures on major replacements or improvements are capitalized only if it is probable that future economic benefits associated with such expenditures will flow to Konami Group.

(3) Depreciation

Depreciation of an asset is principally computed under the straight-line method, spread over the estimated useful life of each component of the asset. The straight-line method is adopted because the method is considered to best approximate the expected pattern of consumption of the future economic benefits generated by the asset.

Right-of-use assets are depreciated over the shorter of the lease term or its estimated useful life, unless there is reasonable certainty that ownership will transfer to the Konami Group at the end of the lease term.

The estimated useful lives range from 10 to 50 years for buildings and structures and from 2 to 20 years for tools, furniture and fixtures.

The depreciation method, the estimated useful life and the residual value are reviewed at each financial year end, and amended as necessary.

4. Goodwill and intangible assets

(1) Goodwill

Goodwill is measured as the excess of the total amount of the consideration transferred, the amount of any non-controlling interests in the acquiree and, if a business combination is achieved in stages, the amount of the fair value at the date of acquisition of the Company's previously held equity interest in the acquiree over the net amounts recognized in respect of the identifiable acquired assets and assumed liabilities (which are primarily measured at fair value). Goodwill is measured at its cost less any accumulated impairment losses. Goodwill is not amortized but is tested for impairment annually at a consistent time in the year, and whenever indicators of impairment exist.

(2) Intangible assets

1) Intangible assets acquired in business combinations

Intangible assets such as trademarks, and patents, acquired in business combinations and recognized separately from goodwill are initially recognized at fair value as at the acquisition date. Subsequently, such intangible assets are measured at their cost less any accumulated amortization and any accumulated impairment losses.

2) Internally generated intangible assets arising from development

Expenditures on research activities to obtain new scientific or technical knowledge and understanding are recognized as an expense as incurred. Expenditures related to development activities are capitalized only if it is technically feasible to complete the assets, it is probable that future economic benefits will be generated, expenditures are reliably measurable, and the Company has the intention, ability and adequate resources to use or sell them after completion.

The costs of internally generated intangible assets arising from the development are initially recognized at the sum of expenditures incurred from the date when they first meet all of the aforementioned criteria until the day the asset is available for use. Subsequent to the initial recognition, internally generated intangible assets arising from development are measured at their costs less any accumulated amortization and any impairment losses.

3) Other intangible assets

Other intangible assets with finite useful lives are measured at their costs less any accumulated amortization and any accumulated impairment losses.

4) Amortization

Intangible assets with finite useful lives, including internally generated intangible assets arising from development and patents, are amortized over their respective estimated useful lives using the straight-line method. They are tested for impairment when there are indicators that they may be impaired. The straight-line method is adopted because this method best reflects the expected pattern of consumption of the future economic benefits generated by the asset. The estimated useful lives of the main intangible assets with finite useful lives are as follows:

- Internally generated intangible assets arising from development Less than 5 years
- Patents 3 to 20 years

The amortization method, the estimated useful life and the residual value are reviewed at each financial year end, and amended as necessary.

Intangible assets with indefinite useful lives, including trademarks, or intangible assets that are not yet available for use are not amortized. They are tested for impairment annually at a consistent time in the year, and whenever indicators of impairment exist.

5. Leases

(1) Lessee

At inception of a contract, Konami Group assesses whether the contract is, or contains, a lease, based on the substance of the contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

At the commencement date of a lease, the right-of-use asset is measured at cost which comprises the amount of the initial measurement of lease liability, any lease payments made at or before the commencement date less any lease incentives received, any initial direct costs and restoration costs. The right-of-use asset is depreciated on a straight-line basis from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

(2) Lessor

Konami Group has classified leases as operating leases if they do not transfer substantially all the risks and rewards incidental to ownership of underlying assets. In operating leases, the leases' underlying assets are carried on the Consolidated Statement of Financial Position and lease payments are recognized as income on a straight-line basis over the lease term.

6. Financial instruments

(i) Initial recognition and measurement

Konami Group initially recognizes financial assets when it becomes a party to the contract, and classifies them into the following categories: financial assets measured at amortized cost, financial assets measured at fair value through other comprehensive income, and financial assets measured at fair value through profit or loss.

At initial recognition, all financial assets are measured at fair value. However, in the case of a financial asset that is not classified as a financial asset measured at fair value through profit or loss, it is measured at the fair value plus any transaction costs directly attributable to the acquisition of the

financial asset. The transaction costs of financial assets measured at fair value through profit or loss are recognized in profit or loss.

1) Financial assets measured at amortized cost

Of the financial assets held by Konami Group, those that meet both of the following conditions are classified as financial assets measured at amortized cost:

- The financial asset is held within a business model whose objective is to hold financial assets to collect contractual cash flows.
- The contractual terms of the financial asset give rise on specified dates to cash flows.

2) Financial assets measured at fair value through other comprehensive income

Equity instruments such as shares held mainly for the purpose of maintaining or strengthening business relationships with investees are designated at initial recognition as financial assets measured at fair value through other comprehensive income. Subsequent to initial recognition, the financial assets are measured at fair value and changes in the fair value are recognized in other comprehensive income. Debts instruments, which are held to achieve an objective by both collecting contractual cash flows and selling and those contractual cash flows represent solely payments of principal and interest, are designated as financial assets measured at fair value through other comprehensive income.

3) Financial assets measured at fair value through profit or loss

Financial assets other than above 1) and 2) are classified as financial assets measured at fair value through profit or loss.

(ii) Subsequent measurement after initial recognition

Based on the classifications, subsequent measurement of financial assets after initial recognition are as follows:

1) Financial assets measured at amortized cost

Financial assets measured at amortized cost are measured at amortized cost using the effective interest method subsequent to the initial recognition.

2) Financial assets measured at fair value through other comprehensive income

Financial assets measured at fair value through other comprehensive income, changes in the fair value are recognized in other comprehensive income subsequent to the initial recognition. In the event of derecognition of equity instruments, the cumulative amount of gains or losses recognized through other comprehensive income is directly transferred from other component of equity to retained earnings. Dividends from the relevant financial asset are recognized in profit or loss for the reporting period. In the event of derecognition of debt instruments, the cumulative amount of gains or losses recognized through other comprehensive income is transferred to profit or loss.

3) Financial assets measured at fair value through profit or loss

Financial assets measured at fair value through profit or loss, changes in the fair value are recognized in profit or loss subsequent to the initial recognition. Dividends from the relevant financial asset are recognized in profit or loss for the reporting period.

(iii) Impairment of financial assets

Financial Assets measured at amortized cost and debt instruments measured at fair value through other comprehensive income, Konami Group records allowance for expected credit losses. Konami Group evaluates at the end of each reporting period whether there is a significant increase in credit risk of financial assets since initial recognition. When there is a significant increase in credit risk since initial recognition, the amount equal to expected credit losses for the remaining life of the financial assets are measured as allowance for expected credit losses. When there is no significant increase in the credit risk since initial recognition, the amount equal to expected credit losses for 12 months are measured as allowance for expected credit losses. For trade and other receivables, allowance for expected credit losses are always measured at the amount equal to expected credit losses for the remaining life of the assets.

Expected credit losses are measured based on the present value of the difference between all contractual cash flows to be paid to Konami Group and all cash flows expected to be received by Konami Group, and are recognized in profit or loss. If the amount of impairment losses decreased due to any event that occurred after the initial recognition of the impairment losses, the previously recognized impairment losses are reversed and recognized in profit or loss.

In case where there is objective evidence of credit impairment of financial assets, such as substantial deterioration of financial conditions of a debtor, default in payment or delinquent payment or other breach of contract by a debtor, interest income on net carrying amount less loss allowance is measured using the effective interest method. In the absence of reasonable expectation of collecting the entire or a part of the financial assets, such amount is directly deducted from the carrying amount of the financial assets.

(iv) Derecognition of financial assets

Konami Group derecognizes financial assets in cases where the contract right to cash flow from a financial asset is invalidated or where substantially all of the risks and economic value of Konami Group's ownership of a financial asset are transferred. If Konami Group retains control over the transferred financial asset, it recognizes liabilities related to the asset to the extent of its ongoing involvement with the asset.

7. Provisions

Provisions are recognized when Konami Group has a present legal or constructive obligation arising from past events where it is probable that outflows of resources embodying economic benefits will be required to settle the obligations, and reliable estimates can be made of the amount of the obligations. Where the effect of the time value of money is material, a provision is calculated as the present value of the expenditures discounted at a rate that reflects the risks specific to the liability.

8. Revenue recognition

Konami Group recognizes revenue from contracts with customers based on the following five step approach, (excluding interest, dividend and other such income from financial instruments recognized in accordance with IFRS 9, insurance revenue recognized in accordance with IFRS 4, and lease income recognized in accordance with IFRS 16).

Step 1: Identify the contract(s) with a customer

Step 2: Identify the performance obligations in the contract

Step 3: Determine the transaction price

Step 4: Allocate the transaction price to the performance obligations in the contract

Step 5: Recognize revenue when (or as) the entity satisfies a performance obligation

Revenue is recognized at the amount of consideration promised in the contract with the customer after deduction of refund liabilities, including returned goods, trade discounts, and rebates.

9. Rounding policy

Amounts of less than one million yen are rounded to the nearest unit.

Notes on Accounting Estimates

In preparing IFRS-compliant Consolidated Financial Statements, management uses estimates and judgments. Judgments made by management, assumptions about the future and uncertainty in estimates may affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities, and reported amounts of income and expenses as of the reporting date of the Consolidated Financial Statements.

The estimates and underlying assumptions are reviewed on an ongoing basis. The impact from revisions to accounting estimates are recognized in the period in which the estimates are revised and future periods that are affected.

Information about estimates and judgments made by management that have significant effect on the amounts recognized in the Consolidated Financial Statements are as follows:

1. Valuation of property, plant and equipment, and goodwill and intangible assets

The total carrying amount of property, plant and equipment, and goodwill and intangible assets in the Consolidated Statement of Financial Position as of March 31, 2024, was ¥211,680 million.

No indicators of impairment were identified for property, plant and equipment in the Sports Business, and no impairment losses were recorded.

For internally generated intangible assets in the Digital Entertainment business and the Amusement business are grouped at the individual title level to determine the CGU, and the assets that are not yet available for use are tested for impairment regardless of whether there are indicators of impairment or not. The assets that are available for use are tested for impairment in case there are indicators of impairment. If estimated earnings fall below zero, or if the market value of the title's assets decline significantly below their carrying amounts, those internally generated intangible assets are determined that there are indicators of impairment. Impairment losses were recognized on certain titles' internally generated intangible assets where the recoverable amounts fell below their carrying amounts through the test for impairment. The recoverable amount of internally generated intangible assets is determined based on their value in use, which is calculated by estimating future cash flows using earnings projections for each title.

2. Revenue recognition

Revenue in the Consolidated Statement of Profit or Loss for the fiscal year ended March 31, 2024 was ¥360,314 million.

For details, please refer to "Notes on Revenue Recognition."

Notes to Consolidated Statement of Financial Position

- Allowance for expected credit losses directly deducted from balances of assets

Trade and other receivables	¥68 million
Other financial assets (non-current)	¥1 million
- Accumulated depreciation and accumulated impairment losses of property, plant and equipment
¥145,622 million

Notes to Consolidated Statement of Changes in Equity

1. Class and total number of shares issued at March 31, 2024

Ordinary shares: 143,500,000 shares

2. Dividends

(1) Dividends paid

Resolution	Class of shares	Amount of dividend (Millions of Yen)	Dividend per share (Yen)	Record date	Effective date
Meeting of the Board of Directors held on May 18, 2023	Ordinary shares	8,405	62.00	March 31, 2023	June 7, 2023
Meeting of the Board of Directors held on November 2, 2023	Ordinary shares	8,405	62.00	September 30, 2023	November 24, 2023
Total		16,810			

(2) Dividends whose record date is in the fiscal year ended March 31, 2024 but whose effective date is in the following fiscal year

Resolution	Class of shares	Source of dividend	Amount of dividends (Millions of Yen)	Dividend per share (Yen)	Record date	Effective date
Meeting of the Board of Directors held on May 16, 2024	Ordinary shares	Retained earnings	9,353	69.00	As of March 31, 2024	As of June 5, 2024
Total			9,353			

Notes on Financial Instruments

1. Matters concerning financial instruments

Konami Group's basic policy of capital management is to establish and maintain financial strength in order to sustain growth and maximize corporate value and shareholder return. Konami Group is exposed to financial risks (credit risk, liquidity risk, foreign exchange risk and interest risk) in the course of business activities, and manages risks in accordance with certain policies in order to avoid or reduce such risks. Although operating payables and debt obligations are exposed to liquidity risk, that risk is managed by monthly preparing and updating the funding plan of each Group company, reporting to the management regularly, and implementing other controls.

As Konami Group policy, we limit derivatives trading to those for the purpose of mitigating risks of transactions truly required and do not enter into derivative financial transactions for trading or speculative purpose.

2. Matters concerning the market value of financial instruments

Fair values of financial instruments are categorized into the following three levels based on observability and significance of inputs for fair value measurement.

Level 1: Fair values measured at a price quoted in an active market

Level 2: Fair values calculated directly or indirectly using an observable price except level 1

Level 3: Fair values calculated through valuation techniques, including inputs that are not based on observable market data

(1) Methods of fair value measurement

Methods for measuring the fair value of financial assets and liabilities are as follows:

(Financial assets and liabilities measured at amortized cost)

The fair values of cash and cash equivalents, trade and other receivables, and trade and other payables approximate their carrying amounts because they have short term maturities.

The fair values of lease deposits and other financial assets are calculated as the present value of the total principal and interest discounted at interest rates reflecting the credit risks estimated by Konami Group.

The fair values of bonds and borrowings, and other financial liabilities are calculated as the present value of the total principal and interest, discounted at interest rates that would be applied to new borrowings of Konami Group with similar terms and the same remaining maturity.

(Equity financial assets measured at fair value through other comprehensive income)

Among other investments that are equity financial instruments, the fair values of marketable shares are measured based on the market price of the same assets on the stock market exchange on the last day of the period. The fair values of unlisted shares are measured by an evaluation method that uses observable inputs, such as the market prices of comparable companies, as well as unobservable inputs.

(Financial assets and liabilities measured at fair value through profit or loss)

The fair value of foreign exchange contracts is measured using valuation provided by financial institutions based on observable market data at the end of each reporting period. The fair values of debt instruments included in other investments are determined based on an approach using observable inputs such as the comparable company's share prices and unobservable inputs.

(2) Financial instruments measured at amortized cost

The carrying amount and fair value of financial instruments measured at amortized cost are as follows. Financial instruments of which the fair value approximates its carrying amount in the Consolidated Statement of Financial Position are not included in the following table.

(Millions of Yen)

	Carrying amount (*)	Fair value (*)
Financial assets:		
Financial assets measured at amortized cost		
Lease deposits	16,790	17,447
Total	16,790	17,447
Financial liabilities:		
Financial liabilities measured at amortized cost		
Bonds and borrowings	(59,862)	(57,586)
Total	(59,862)	(57,586)

(*) Items posted under liabilities are presented in a bracket of “().”

Note: Fair values of lease deposits, and bonds and borrowings are categorized as Level 2

(3) Financial instruments measured at fair value

The fair value hierarchy of financial instruments measured at fair value is as follows:

(Millions of Yen)

	Level 1	Level 2	Level 3	Total
Financial assets:				
Equity financial assets measured at fair value through other comprehensive income				
Other investments				
Securities	892	–	724	1,616
Non-securities	–	–	72	72
Financial assets measured at fair value through profit or loss				
Other investments				
Non-securities	–	–	80	80
Total	892	–	876	1,768

Other investments, which are categorized as Level 3, have no significant changes for the fiscal year ended March 31, 2024.

Notes on Revenue Recognition

1. Disaggregated revenue information

The breakdown of reportable segment revenue from external customers based on the location of each company of Konami Group is as follows:

(Millions of Yen)

	Japan	United States	Europe	Asia/Oceania	Total revenue
Digital Entertainment Business	184,527	33,051	20,353	10,531	248,462
Amusement Business	24,916	–	–	–	24,916
Gaming & Systems Business	–	32,100	–	7,536	39,636
Sports Business	47,300	–	–	–	47,300
Revenue from external customers	256,743	65,151	20,353	18,067	360,314
Revenue recognized from contracts with customers	256,355	58,370	20,353	18,067	353,145
Revenue recognized from other sources	388	6,781	–	–	7,169

Note: Revenue recognized from other sources consists of revenue in accordance with IFRS 16, “Leases.”

(1) Digital Entertainment

The Digital Entertainment business consists mainly of the distribution of mobile games, the sale of computer & video games, and the sale of card games.

With respect to products that Konami Group determines the performance obligations are satisfied at the time when they are delivered to customers, revenue is recognized at that point in time.

In terms of games with online functionality, they contain two performance obligations for online and offline play functions, and we determine that online play functions are highly important due to obligations of availability to play through providing the functions continuously after sales. Therefore, all of the amount of transaction price are allocated to the online functions and the revenue is recognized at a predetermined amount over the estimated usage period based on customers’ historical usage records since customers can enjoy the benefit from games any time after purchase.

Revenue from the sale of virtual items within games is recognized depending on the nature of the items. Revenue from the items consumed at the time when customers used within games is recognized at the time. Revenue from the items available any time for use after purchase is recognized at a predetermined amount over the estimated usage period of the items based on customers’ historical usage records.

Customers pay for the products or services at the time or within one year at the time when the performance obligations are satisfied, and the amount of consideration does not contain any significant financing components.

(2) Amusement

With respect to amusement machines, Konami Group determines that the performance obligations are satisfied at the time when the products are delivered to customers, and revenue is recognized at that point in time. In addition, Konami Group renders services where we interface with amusement machines and multiple amusement arcades online and share user playing fees with customers (amusement facility operators). As these performance obligations are satisfied at the time when the user plays the game, the revenue is recognized at the time.

Customers pay for the products or services within one year at the time when the performance obligations are satisfied, and the amount of consideration does not contain any significant financing

components.

(3) Gaming & Systems

With respect to the sale of gaming machines, Konami Group determines that the performance obligations are satisfied at the time when the products are delivered to customers, and revenue is recognized at that point in time. In addition, Konami Group renders services where we share user playing fees with customers (casino facility operators). As this performance obligation is satisfied at the time when the user plays the game, the revenue is recognized at the time.

Customers pay for the products and services within one year at the time when the performance obligations are satisfied, and the amount of consideration does not contain any significant financing components.

(4) Sports

The Sports business consists mainly of the operation of fitness activities and sports classes, and the sale of sports related goods.

Revenue from fitness activities and exercise schools consists primarily of membership fees received from members, and is recognized over contract periods when the services are rendered due to the obligations of providing a service of standing ready to members.

In terms of sports related goods, we determine that the performance obligations are satisfied at the time when they are delivered to customers, and we recognize the revenue at the time.

Customers pay for membership fees of fitness activities and exercise schools in advance and pay for sports related goods within one year at the time when the performance obligations are satisfied, and the amount of consideration does not contain any significant financing components.

2. Contract balances

The breakdown of receivables-contracts from customers and contract liabilities is as follows:

(Millions of Yen)

	As of April 1, 2023	As of March 31, 2024
Receivables-contracts from customers	38,996	43,165
Contract liabilities	9,532	12,511

Receivables-contracts from customers are included in “trade and other receivables” and contract liabilities are included in “other current liabilities” and “other non-current liabilities” in the Consolidated Statement of Financial Position.

The balance of contract liabilities as of April 1, 2023 included the revenue of ¥9,383 million for the fiscal year ended March 31, 2024. There is no amount of revenue recognized from performance obligations that were satisfied in past periods.

Contract liabilities mainly arise from contracts for the Digital Entertainment business and Sports business. In the Digital Entertainment business, contract liabilities primarily consist of the amount of consideration that customers paid for games with online functions, for purchase of virtual items within games and advance received pre order sales. In the Sports business, contract liabilities primarily consist of advance received from customers for operation of fitness activities and exercise schools. For methods of revenue recognition, please refer to “1. Disaggregated revenue information.”

3. Transaction price allocated to the remaining performance obligations

Since Konami Group has no significant transactions for which individual contracts exceed one year, information about remaining performance obligations is omitted by optionally applying practical expedients. There is no significant amount of consideration from contract with customers which are not included in the transaction price.

Notes on Per Share Information

Equity attributable to owners of the parent per share:	¥3,152.62
Basic earnings per share:	¥436.50

Notes on Significant Subsequent Events

There is no applicable item.

Balance Sheet
(As of March 31, 2024)

(Millions of Yen)

ASSETS:		LIABILITIES:	
Current assets	¥185,417	Current liabilities	¥2,324
Cash and deposits	168,349	Accounts payable - other	989
Trade accounts receivable	6,718	Accrued expenses	259
Prepaid expenses	87	Income taxes payable	755
Short-term loans	9,930	Deposits received	32
Others	332	Provision for bonuses	191
		Others	96
		Non-current liabilities	¥61,049
		Bonds payable	60,000
		Other	1,049
Non-current assets	¥181,140	Total liabilities	¥63,374
Property, plant and equipment, net	15		
Tools, furniture and fixtures	15	NET ASSETS:	
Intangible assets	54	Shareholders' equity	¥303,013
Software	48	Share capital	47,398
Others	5	Capital surplus	43,858
Investments and other assets	181,070	Legal capital surplus	36,893
Investment securities	755	Other capital surplus	6,964
Shares of subsidiaries and associates	96,811	Retained earnings	232,958
Long-term loans	83,288	Legal retained earnings	283
Long-term prepaid expenses	5	Other retained earnings	232,674
Deferred tax assets	88	General reserve	80,000
Others	121	Retained earnings brought forward	152,674
		Treasury shares	(21,202)
		Valuation and translation adjustments	¥170
		Valuation difference on available-for-sale securities	170
		Total net assets	¥303,183
Total	¥366,557	Total liabilities and net assets	¥366,557

Statement of Income
(Year ended March 31, 2024)

(Millions of Yen)

I	Operating revenues	¥36,686
	Management fee income	6,170
	Dividend income	30,516
II	Operating expenses	5,566
	Selling, general and administrative expenses	5,566
	Operating profit	31,119
III	Non-operating income	1,836
	Interest income	1,335
	Foreign exchange gains	493
	Other	6
IV	Non-operating expenses	282
	Interest expenses on bonds	216
	Commitment fees	18
	Other	47
	Ordinary profit	32,673
<hr/>		
	Profit before income taxes	32,673
	Income taxes	557
	Current	556
	Deferred	1
	Profit	¥32,115

Statement of Changes in Equity
(Year ended March 31, 2024)

(Millions of Yen)

	Shareholders' equity									
	Share capital	Capital surplus			Retained earnings				Treasury shares	Total shareholders' equity
		Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings		Total retained earnings		
						General reserve	Retained earnings brought forward			
Balance at April 1, 2023	¥47,398	¥36,893	¥6,964	¥43,857	¥283	¥80,000	¥137,368	¥217,652	¥(21,194)	¥287,714
Changes during the fiscal year										
Dividends of surplus							(16,809)	(16,809)		(16,809)
Profit							32,115	32,115		32,115
Purchase of treasury shares									(8)	(8)
Disposal of treasury shares			0	0					0	0
Net changes in items other than shareholders' equity										
Total changes during the fiscal year	-	-	0	0	-	-	15,306	15,306	(8)	15,298
Balance at March 31, 2024	¥47,398	¥36,893	¥6,964	¥43,858	¥283	¥80,000	¥152,674	¥232,958	¥(21,202)	¥303,013

	Valuation and translation adjustments		Total net assets
	Valuation difference on available-for-sale securities	Total valuation and translation adjustments	
Balance at April 1, 2023	¥127	¥127	¥287,842
Changes during the fiscal year			
Dividends of surplus			(16,809)
Profit			32,115
Purchase of treasury shares			(8)
Disposal of treasury shares			0
Net changes in items other than shareholders' equity	42	42	42
Total changes during the fiscal year	42	42	15,340
Balance at March 31, 2024	¥170	¥170	¥303,183

Notes to Non-Consolidated Financial Statements

Notes on Significant Accounting Policies

1. Basis and method for valuation of assets

Securities

Subsidiaries and associates: Stated at cost based on the moving average method.

Available-for-sale securities:

Securities other than shares that do not have a market value:

The fair value method is applied, based on the market value as of the fiscal year-end. The entire positive or negative valuation difference with the acquisition price is booked directly as net assets, and the cost of securities sold is calculated using the moving average method.

Shares that do not have a market value:

Valued at cost using the moving average method.

2. Depreciation and amortization methods for non-current assets

Property, plant and equipment: Depreciated mainly using the straight-line method.

Intangible assets:

Amortized mainly using the straight-line method. For in-house software, amortization is computed using the straight-line method based on the estimated useful life of within 5 years.

3. Recognition criteria for provisions

(1) Allowance for doubtful accounts

Generally, allowance for doubtful accounts is calculated based on the actual ratio of bad debt losses incurred. For specific accounts with higher possibility of bad debt loss, the allowance is determined by respective judgment.

(2) Provision for bonuses

To provide for payments of bonuses to employees, the Company sets aside an estimate of bonuses payable in the next fiscal year that is applicable to the current fiscal year.

4. Recognition criteria for revenue and expenses

Recognition criteria for revenue

The Company has applied the “Accounting Standard for Revenue Recognition” (Accounting Standards Board of Japan (ASBJ) Statement No. 29) and the “Implementation Guidance on Accounting Standard for Revenue Recognition” (ASBJ Guidance No. 30), and recognizes revenue from contracts with customers based on the following five steps.

Step 1: Identify the contract(s) with a customer

Step 2: Identify the performance obligations in the contract

Step 3: Determine the transaction price

Step 4: Allocate the transaction price to the performance obligations in the contract

Step 5: Recognize revenue when (or as) the entity satisfies a performance obligation

The Company’s revenue is business management fees from its subsidiaries, and the provision of business management services such as managerial advice and administration, and brand licensing by the Company to the subsidiaries is identified as performance obligation. Because the performance obligation is satisfied over time, revenue is recognized equally over the contract period.

5. Adoption of the group tax sharing system

The group tax sharing system was implemented.

6. Rounding policy

Amounts of less than one million yen are rounded down to the nearest unit.

Notes on Accounting Estimates

In preparing Non-Consolidated Financial Statements, the management of the Company uses estimates and judgments. Uncertainty associated with judgments, assumptions about the future, and estimates by management affects the amount of assets and liabilities, as well as the reported amounts of income and expenses as of the reporting date of the Non-Consolidated Financial Statements.

Estimates, and the assumptions on which they are based, are continuously reviewed. The impact of revisions to accounting estimates is recognized in the accounting period for which the estimates are revised, and in any future accounting periods that are affected.

Estimates and judgments by management that have a significant effect on the amounts in the Non-Consolidated Financial Statements are as follows:

- Valuation of shares of subsidiaries and associates

The carrying amount of shares of subsidiaries and associates in the balance sheet as of March 31, 2024, was ¥96,811 million.

Shares of subsidiaries and associates are stated at cost, but when the shares suffer a significant decline in effective value, except in cases where there is sufficient evidence to support the possibility of a recovery the shares must be written down.

Notes to Balance Sheet

1. Monetary receivables from and payables to subsidiaries and associates

(Millions of Yen)

Short-term monetary receivables	16,978
Short-term monetary payables	756
Long-term monetary receivables	83,288
2. Accumulated depreciation of property and equipment	154

Notes to Statement of Income

Amount of transactions with subsidiaries and associates

(Millions of Yen)

Operating revenue	36,666
Selling, general and administrative expenses	1,041
Non-operating transactions	1,219

Notes to Statement of Changes in Equity

Class and number of treasury shares

(Thousand shares)

	Number of shares as of April 1, 2023	Number of shares increased during the period	Number of shares decreased during the period	Number of shares as of March 31, 2024
Ordinary Shares	7,941	1	0	7,942
Total	7,941	1	0	7,942

Notes: 1. The increase of 1 thousand shares of ordinary shares as treasury shares is due to the purchases of shares constituting less than one unit.
2. The decrease of 0 thousand shares of ordinary shares as treasury shares is due to the sale of shares constituting less than one unit.

Notes on Tax Effect Accounting

1. Breakdown by major cause for the occurrence of deferred tax assets and deferred tax liabilities (Millions of Yen)

Deferred tax assets	
Investments and other	1,613
Long-term accounts payable - other	321
Accrued expenses and other	68
Revision to the carrying amount of investments	2,984
Loss brought forward for tax purposes	2,818
Others	<u>425</u>
Deferred tax assets subtotal	<u>8,231</u>
Valuation allowance related to loss brought forward for tax purposes	(2,774)
Valuation allowance related to total of deductible temporary difference	<u>(5,190)</u>
Valuation allowance subtotal	<u>(7,964)</u>
Total deferred tax assets	267
Deferred tax liabilities	
Investments and other	<u>(179)</u>
Total deferred tax liabilities	<u>(179)</u>
Net deferred tax assets	<u>88</u>

2. Adoption of the group tax sharing system

The group tax sharing system is applied.

In addition, the Company accounts for corporate and local income taxes and related tax effect accounting and disclosure in accordance with “Practical Solution on the Accounting and Disclosure Under the Group Tax Sharing System” (PITF No. 42, August 12, 2021).

Notes on Transactions with Related Parties

Subsidiaries and associates.

Attributes	Company name	Percentage of voting rights	Relationship with the related party	Transactions	Amount of transactions (Millions of Yen)	Account title	Ending balance (Millions of Yen)
Subsidiary	Konami Digital Entertainment Co., Ltd.	Direct 100.0%	Interlocking of directors	Receipt of business management fees	4,751	Trade accounts receivable	5,226
	Konami Sports Co., Ltd.	Direct 100.0%	Lending and borrowing of funds, etc.	Interest income	25	Short-term loans	6,800
	Konami Real Estate, Inc.	Direct 100.0%	Lending and borrowing of funds, etc. Interlocking of directors	Recovery of funds Interest income	1,802 1,186	Short-term loans Long-term loans	1,430 83,288

Notes: Transaction terms and the policy, etc. of deciding transaction terms

1. The receipt of business management fees is determined through negotiations, considering the running costs, etc. of the Company as a pure holding company.
2. The rate for lending and borrowing of funds are determined based on the market interest rates and others.

Notes on Revenue Recognition

Information forming the basis for understanding revenue recognized from contracts with customers

The information is as provided in “4. Accounting standards for revenue and expenses” of “Notes on Significant Accounting Policies.”

Notes on Per Share Information

Net assets per share:	¥2,236.56
Basic earnings per share:	¥236.92

Notes on Significant Subsequent Events

There is no applicable item.

Independent Auditor's Report (English Translation)

May 16, 2024

To the Board of Directors of
KONAMI GROUP CORPORATION

PricewaterhouseCoopers Japan LLC
Tokyo office
Shigeru Takahama, CPA
Designated limited liability Partner
Engagement Partner
Soichiro Hayashi, CPA
Designated limited liability Partner
Engagement Partner
Satoshi Shimbo, CPA
Designated limited liability Partner
Engagement Partner

Opinion

We have audited, pursuant to Article 444 (4) of the Companies Act of Japan, the accompanying consolidated financial statements, which comprise the Consolidated Statement of Financial Position, Consolidated Statement of Profit or Loss, Consolidated Statement of Changes in Equity and Notes to Consolidated Financial Statements of KONAMI GROUP CORPORATION and its consolidated subsidiaries (hereinafter referred to as the "Group") for the fiscal year from April 1, 2023 to March 31, 2024.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position and its financial performance of Konami Group for the period covered by the financial statements in accordance with the accounting standards which have omitted some disclosure items required under the designated International Financial Reporting Standards (hereinafter "IFRS"), as set forth by the provision of second sentence of Article 120 (1) of the Regulation on Corporate Accounting of Japan.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of Konami Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Japan, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The other information comprises the business report and the supplementary schedules. Management is responsible for the preparation and disclosure of the other information. In addition, Audit & Supervisory Committee is responsible for overseeing the Company's reporting process of the other information.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of Management and the Audit & Supervisory Committee for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the accounting standards which have omitted some disclosure items required under IFRS, as set forth by the provision of second sentence of Article 120 (1) of the Regulation on Corporate Accounting of Japan, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statement that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing Konami Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern in accordance with the accounting standards which have omitted some disclosure items required under IFRS, as set forth by the provision of second sentence of Article 120 (1) of the Regulation on Corporate Accounting of Japan, and using the going concern basis of accounting unless management either intends to liquidate Konami Group or to cease operation, or has no realistic alternative but to do so.

Audit & Supervisory Committee is responsible for overseeing the directors' performance of duties in development and operation of the reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, while the purpose of the consolidated financial statement audit is not to express an opinion on the effectiveness of Konami Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on Konami Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause Konami Group to cease to continue as a going concern.
- Evaluate whether the presentation and disclosures of the consolidated financial statements are in accordance with the accounting standards which have omitted some disclosure items required under IFRS, as set forth by the provision of second sentence of Article 120 (1) of the Regulation on Corporate Accounting of Japan, the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within Konami Group to express an opinion on the consolidated financial statements.

We are responsible for the direction, supervision and performance of Konami Group audit. We remain solely responsible for our audit opinion.

We communicate with the Audit & Supervisory Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied to reduce threats to an acceptable level.

Interest required to be disclosed by the Certified Public Accountants Act of Japan

Our firm and its designated engagement partners do not have any interest in Konami Group which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

* Notes to the Readers of Independent Auditor's Report

This is an English translation of the Independent Auditor's Report as required by the Companies Act of Japan for the conveniences of the reader.

Independent Auditor's Report (English Translation)

May 16, 2024

To the Board of Directors of
KONAMI GROUP CORPORATION

PricewaterhouseCoopers Japan LLC
Tokyo office
Shigeru Takahama, CPA
Designated limited liability Partner
Engagement Partner
Soichiro Hayashi, CPA
Designated limited liability Partner
Engagement Partner
Satoshi Shimbo, CPA
Designated limited liability Partner
Engagement Partner

Opinion

We have audited, pursuant to Article 436 (2) (i) of the Companies Act of Japan, the accompanying financial statements, which comprise the Balance Sheet, Statement of Income, Statement of Changes in Net Assets and Notes to the financial statements, and the supplementary schedules of KONAMI GROUP CORPORATION (hereinafter referred to as the "Company") for the 52nd fiscal year from April 1, 2023 to March 31, 2024.

In our opinion, the financial statements and the supplementary schedules referred to above present fairly, in all material respects, the financial position and its financial performance for the period covered by the financial statements and the supplementary schedules in accordance with accounting principles generally accepted in Japan.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements and the Supplementary Schedules* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements and the supplementary schedules in Japan, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The other information comprises the business report and the supplementary schedules. Management is responsible for the preparation and disclosure of the other information. In addition, Audit & Supervisory Committee is responsible for overseeing the Company's reporting process of the other information.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of Management and the Audit & Supervisory Committee for the Financial Statements and the Supplementary Schedules

Management is responsible for the preparation and fair presentation of the financial statements and the supplementary schedules in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of the financial statements and the supplementary schedules that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements and the supplementary schedules, management is responsible for assessing the Company's ability to continue as a going concern and disclosing, as applicable, matters related to going concern in accordance with accounting principles generally accepted in Japan.

Audit & Supervisory Committee is responsible for overseeing the directors' performance of duties in development and operation of the reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements and the Supplementary Schedules

Our objectives are to obtain reasonable assurance about whether the financial statements and the supplementary schedules as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements and the supplementary schedules.

As part of an audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements and the supplementary schedules, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, while the purpose of the financial statement audit is not to express an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements and the supplementary schedules or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate whether the presentation and disclosures of the financial statements and the supplementary schedules are in accordance with accounting principles generally accepted in Japan, the overall presentation, structure and content of the financial statements and the supplementary schedules, including the disclosures, and whether the financial statements and the supplementary schedules represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Audit & Supervisory Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied to reduce threats to an acceptable level.

Interest required to be disclosed by the Certified Public Accountants Act of Japan

Our firm and its designated engagement partners do not have any interest in the Company which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

* Notes to the Readers of Independent Auditor's Report

This is an English translation of the Independent Auditor's Report as required by the Companies Act of Japan for the conveniences of the reader.

AUDIT REPORT

Regarding the performance of duties by the Directors for the 52nd fiscal year from April 1, 2023 to March 31, 2024, the Audit & Supervisory Committee conducted an audit. The Audit & Supervisory Committee hereby reports the methods and results of the audit.

1. Auditing Methods and Details of Such Methods

With regard to the content of resolutions of the meeting of the Board of Directors on matters set forth in Article 399-13, Paragraph (1), Item (i), (b) and (c) of the Companies Act, and system improved based on the resolutions (internal control system), the Audit & Supervisory Committee regularly received reports from the Directors, employees, and other relevant personnel, sought explanations as necessary, expressed its opinions, and conducted an audit by the following methods.

- (1) Pursuant to the Standards for Audit by the Audit & Supervisory Committee, which established by the Audit & Supervisory Committee, we participated in important meetings, received reports from the Directors, employees, and other relevant personnel regarding performance of their duties, sought explanations as necessary, examined important authorized documents and associated information, and studied the operations and financial positions at the head office and principal place of business, in accordance with auditing policies, allocation of duties and others. With respect to subsidiaries, we communicated and exchanged information with Directors, Audit & Supervisory Board Members, and other relevant personnel of the subsidiaries, and received business reports from subsidiaries as necessary.
- (2) We received audit reports from accounting auditors, monitored and verified whether the accounting auditors maintained their independence and implemented appropriate audits, and we received reports from the accounting auditors regarding the performance of their duties and sought explanations as necessary. In addition, we received notice from the accounting auditors that “the system for ensuring that duties are performed properly” (matters set forth in each Item of Article 131 of the Regulation on Corporate Accounting of Japan) is organized in accordance with the “product quality management standards regarding audits” (Business Accounting Council) and other relevant standards, and sought explanations as necessary.

Based on the above methods, we examined the Business Report and its supporting schedules, Non-Consolidated Financial Statements (Balance Sheet, Statement of Income, Statement of Changes in Net Assets and Notes to the Financial Statements) and their supporting schedules, as well as Consolidated Financial Statements (Consolidated Statement of Financial Position, Consolidated Statement of Profit or Loss, Consolidated Statement of Changes in Equity, and Notes to Consolidated Financial Statements, all prepared with the omission of certain disclosures required by the IFRS pursuant to the provision of the second sentence of Article 120, Paragraph (1) of the Regulation on Corporate Accounting of Japan) related to the fiscal year under review.

2. Results of Audit

(1) Results of audit of Business Report

- (a) In our opinion, the Business Report and its supporting schedules are in accordance with the related laws and regulations and the Articles of Incorporation, and fairly represent the Company's condition.
- (b) With regard to the performance of duties by the Directors, we have found no evidence of wrongful action or material violation of related laws and regulations, nor of any violation with respect to the Articles of Incorporation.
- (c) In our opinion, the contents of the resolutions of the Board of Directors regarding the internal control system are fair and reasonable. In addition, we have found no matters on which to remark in regard to the content of the Business Report and the performance of duties of the Directors regarding the internal control system.

(2) Results of audit of Non-Consolidated Financial Statements and their supporting schedules

In our opinion, the methods and results of audit employed and rendered by PricewaterhouseCoopers Japan LLC, accounting auditors, are fair and reasonable.

(3) Results of audit of Consolidated Financial Statements

In our opinion, the methods and results of audit employed and rendered by PricewaterhouseCoopers Japan LLC, accounting auditors, are fair and reasonable.

May 16, 2024

Audit & Supervisory Committee

KONAMI GROUP CORPORATION

Audit & Supervisory Committee Member

Yasushi Higuchi

Audit & Supervisory Committee Member

Kaori Yamaguchi

Audit & Supervisory Committee Member

Kimito Kubo

Note: Audit & Supervisory Committee Members Mr. Yasushi Higuchi, Ms. Kaori Yamaguchi and Mr. Kimito Kubo are Outside Directors as provided for in Article 2, Item (xv) and Article 331, Paragraph (6) of the Companies Act of Japan.