

Q3 for the Fiscal Year Ending March 2026 Results Presentation

February 13, 2026

Disclaimer

The market forecasts, performance outlooks, plans, strategies, and other forward-looking statements contained in this document are based on information available to the Company and the judgment of its management at the time this material was created. They do not constitute a guarantee of future performance. The information provided herein involves uncertainties that may be affected by various factors, including economic conditions, industry trends, competitive environment, exchange rates, interest rates, raw material prices, changes, amendments or abolishment of laws and regulations, large-scale natural disasters, outbreaks of infectious diseases, conflicts, and risks related to cybersecurity. Such uncertainties could cause actual results or events to differ materially and adversely from those presently anticipated. The Company does not undertake to update or revise this document.

In addition, information contained in this document that relates to parties other than the Company has been quoted from publicly available sources and other references. However, the accuracy or completeness of such information is not warranted or guaranteed.

This document is for informational purposes only, and is not intended to solicit or recommend any investments. Any investment decisions should be made solely at your own discretion and responsibility.

The Company and the information providers shall bear no responsibility whatsoever for any damages incurred by users as a result of utilizing the information contained in this document.

Unauthorized reproduction, redistribution, or alteration of this document or its contents for any purpose is strictly prohibited. If you quote all or part of this document, please clearly indicate the source of the citation or link to this page.

This is an English translation from the original Japanese-language version. The translation is provided for your reference and convenience only and without any warranty as to its accuracy or otherwise. The Company assumes no responsibility for this translation and for direct, indirect or any other forms of damages arising from the translation. Should there be any inconsistency between this translation and the original Japanese-language version, the Japanese-language version shall prevail.

© SEGA SAMMY HOLDINGS INC. All Rights Reserved.

<Disclaimer>

This document is a transcription from the financial results briefing presentation, and some edits and modifications have been made for ease of understanding.

Speaker: Koichi Fukazawa (Director of the Board, Senior Executive Vice President and Group CFO of SEGA SAMMY HOLDINGS INC.)

I will explain the results for Q3 of the fiscal year ending March 2026 and the outlook going forward. The materials used today are the "Results Presentation" available on our company website.

A decorative graphic consisting of a square divided into three triangular sections: a blue triangle at the top-left, a green triangle at the bottom-right, and a larger grey triangle in the center. The number '01' is written in white in the center of the grey triangle.

01

FY2026/3 Q3 Results / Forecast

1

Impairment of goodwill and other intangible assets at Rovio and Stakelogic

- Rovio: Approx. 31.3 billion yen
- Stakelogic: Anticipating approx. 15.0 billion yen*¹
(expected to be recognized at the end of FY)

*The amount is currently under review

2

Review of capital allocation policy

- Suspend large-scale M&A for the time being
- Implement the acquisition of treasury stocks (share buybacks) of 20.0 billion yen

3

Revision of operating results forecast
(See P. 6 for details)

- Recognized extraordinary losses associated with the implement of impairment
- Reflected performance progress in each segment

-3-

I will provide an explanation on three topics.

First, regarding impairment losses, as announced today, we recorded an impairment loss of 31.3 billion yen in the third quarter at Rovio, which we decided to acquire in April 2023, due to intensifying competition in the global mobile game market.

Regarding Stakelogic, whose acquisition was decided in July 2024, we revised our business plan following changes to its business model and priority markets due to the rapid contraction of the Dutch market.

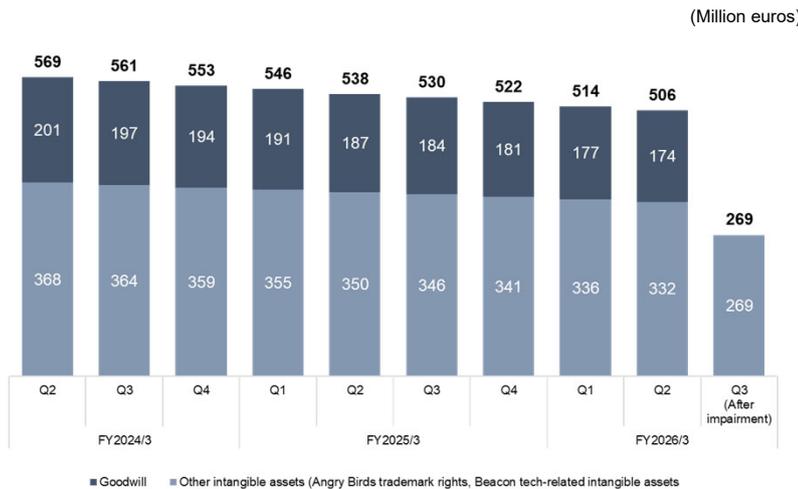
Although it is the first year following closing and it is standard practice to assess impairment based on deviations over time, in light of current marketing conditions in the Netherlands, we have decided to take a conservative approach, and as a result, we expect to recognize impairment losses of approximately 15.0 billion yen at the end of this fiscal year.

We take this situation very seriously, as we have recognized or expect to recognize in Q4, significant impairment losses related to M&A activities conducted as growth investments. Accordingly, we have decided to review our capital allocation policy.

For the time being, we will suspend large-scale M&A and reduce the growth investment budget previously allocated for M&A and similar activities.

Accordingly, we will conduct a ¥20.0 billion share buyback using the funds previously allocated for growth investments.

[Trend of balance of Rovio's goodwill etc..]



- Recognized impairment losses of approx. 229 million euros (approx. 31.3 billion yen)
- Assumption to calculate impairment loss amount
 - Reduce the sales forecast to be generated from existing and new game titles going forward based on the shortfall rate of the most recent sales forecast
 - Taking into account the impact of reductions in fixed expenses to be implemented in the future and the reduction in fee burdens through promotion of utilization of external payment

*Converted to yen when reflected in the Company's consolidated balance sheet

This graph shows Rovio's goodwill since its acquisition and the balance of intangible assets, including *Angry Birds* in local currency (euros).

As a result of an impairment charge of 229 million euros, the goodwill balance has been reduced to zero, and the balance of intangible assets is now 269.0 million euros.

The premise for calculating this impairment loss is that Rovio has continued to fall significantly short of its sales plan in recent periods. Based on this, we applied a stress factor reflecting the recent sales shortfall rate to our future sales projections and revised the sales plan downward.

On the other hand, the impairment charge was determined based on a recovery plan that incorporates measures not considered in the acquisition plan, such as mitigating platform fee burdens through increased use of external payment.

Result Highlights (Consolidated)

(Billion yen)	FY2025/3		FY2026/3		
	Thru Q3	Full-year Results	Thru Q3	Full-year Forecast (announced on May 12)	Revised Forecast (announced on Feb. 13)
Sales	322.3	428.9	335.2	475.0	490.0
Operating Income	43.7	48.1	19.8	53.0	40.0
Ordinary Income	49.4	53.1	23.8	56.0	43.5
Extraordinary income	9.1	10.0	0.8	0.0	1.0
Extraordinary losses	7.4	8.3	36.2	2.5	53.5
Profit attributable to owners of parent	41.7	45.0	-16.8	37.5	-13.0
Indicators in the Medium-Term Plan					
Adjusted EBITDA	54.5	62.2	3.4	67.5	10.0
ROE	-	12.2%	-	-	-

*Adjusted EBITDA: Ordinary income + Interest expenses + Depreciation and amortization ± Adjustment items
 Adjustment items:
 Extraordinary income of business, Extraordinary losses of business (impairment, title write-down, etc.),
 Profit attributable to non-controlling interests, Goodwill, trademark right amortization, etc.. associated with M&A

¹ Entertainment = Entertainment Contents Business

FY2026/3 Q3 Results

➤ Results fell short of initial forecast mainly due to the Entertainment¹ and the Gaming Business

- Full Game sales, new F2P titles and Rovio's performance fell short of expectations in the Entertainment
- The Pachislot & Pachinko Machines performed strongly particularly for mainstay titles
- Existing businesses in the Gaming performed strongly
- Incorporated the results of the two acquired companies of the Gaming

Forecast

➤ Revise full-year operating results forecast

- Reflect results of each business (See next page for details)
- Reflect impairment losses of goodwill, etc.. into extraordinary losses

In Q3, income at each stage fell below initial expectations, primarily due to a downturn in the Consumer area and the inclusion of results from two acquired companies in the Gaming Business.

In the Consumer area, sales of Full Game and new F2P (Free-to-Play) titles, as well as Rovio's performance, remained sluggish.

Meanwhile, in the Pachislot & Pachinko Machines Business, although sales schedules were adjusted due to approval status for pachislot machines, sales remained strong, primarily driven by mainstay titles.

In the Gaming Business, gaming machine sales and PARADISE SEGASAMMY continued to perform strongly in existing businesses. However, the consolidation of results from GAN and Stakelogic, whose acquisitions were completed during this fiscal year, along with goodwill amortization, resulted in recoding of losses in consolidated results that were not factored in the previously announced initial forecast.

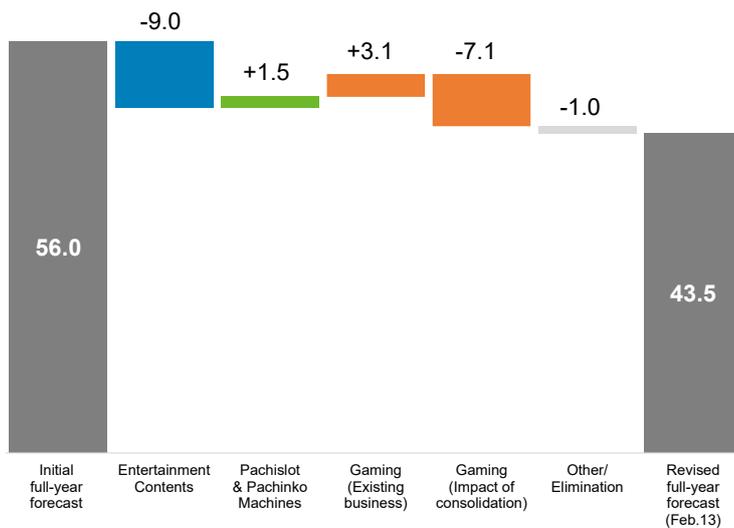
Based on these trends in each business segment and the recognition of impairment losses, we have revised our full-year operating results forecast.

Operating income was reduced from the previous forecast of 53.0 billion yen to 40.0 billion yen, ordinary income was reduced from 56.0 billion yen to 43.5 billion yen, and profit attributable to owners of the parent was revised from the previous forecast of a 37.5 billion yen profit to a 13.0 billion yen loss.

Revision of Operating Results Forecast

[Increase or decrease in ordinary income by segment from initial forecast]

(Billion yen)



➤ **Entertainment Contents Business**

- Full Game sales, new F2P titles and Rovio's performance fell short of expectation

➤ **Pachislot & Pachinko Machines Business**

- Exceeded expectations, driven by strong performance of mainstay titles

➤ **Gaming Business**

- Gaming machine sales for casinos and PARADISE SEGASAMMY performed strongly
- Ordinary loss amount increased in the Gaming Business due to the incorporation of the results of GAN and Stakelogic, the two acquired companies, and recording of their goodwill amortization, which were not factored in the forecast (impact of consolidation)

Regarding revised operating results forecast, the graph shows the difference from the initial forecast at the ordinary income level.

As explained earlier, the Entertainment Contents Business is expected to significantly underperform, primarily due to the Consumer area.

In the Pachislot & Pachinko Machines Business, mainstay titles are expected to drive performance, and the business is expected to achieve the initial forecast.

In the Gaming Business, existing businesses such as gaming machine sales and PARADISE SEGASAMMY continue to perform strongly. There was also a positive impact from foreign exchange gains on loans related to overseas subsidiaries such as GAN.

On the other hand, the inclusion of the results of the two acquired companies, GAN and Stakelogic, and the recording of goodwill amortization expenses were not factored into the initial forecast, so these factors have been incorporated into the revised operating results forecast this time.

(Reference) Per Segments Results

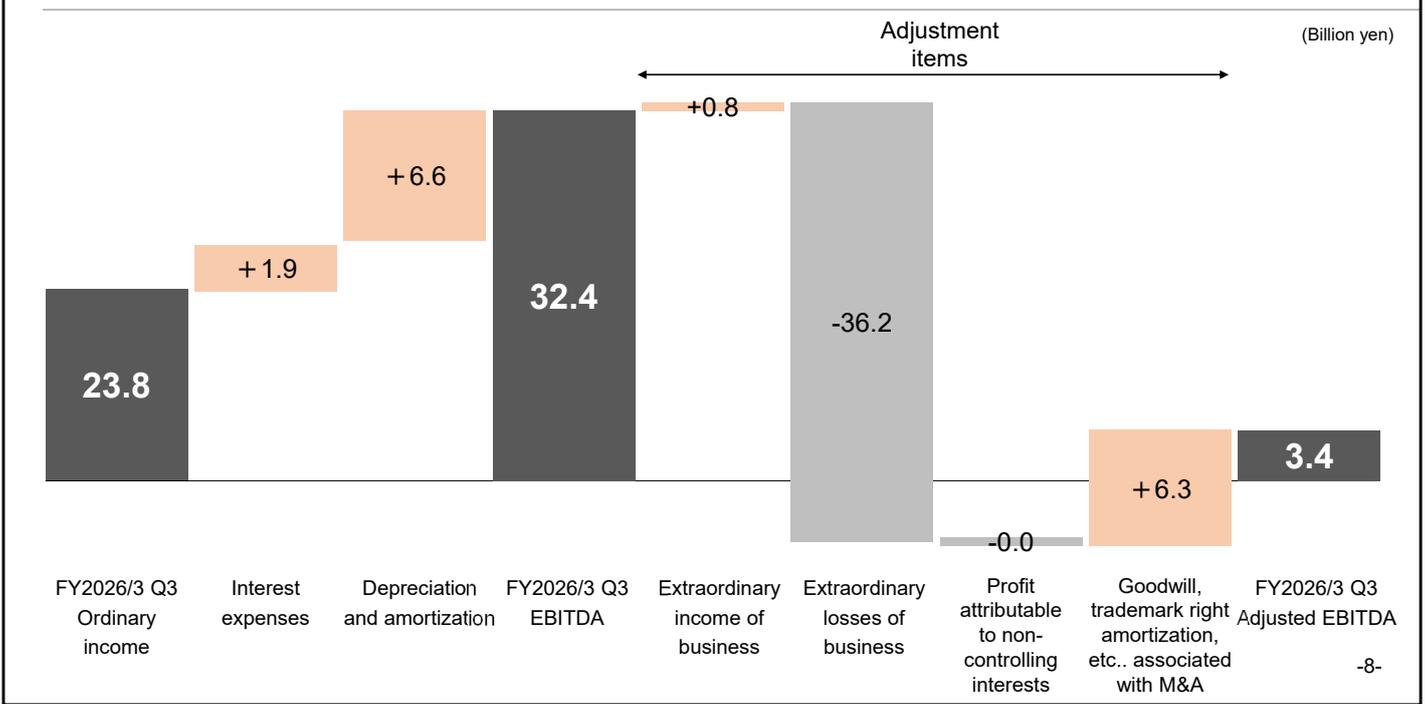
(Billion yen)	FY2025/3		FY2026/3		
	Thru Q3	Full-year Results	Thru Q3	Full-year Forecast (announced on May 12)	Revised Forecast (announced on Feb. 13)
Sales	322.3	428.9	335.2	475.0	490.0
Entertainment Contents	238.6	321.5	242.2	336.0	330.0
Pachislot & Pachinko Machines	76.4	97.1	73.3	130.0	133.0
Gaming	3.1	5.4	16.7	6.0	24.0
Other / Elimination	4.2	4.9	3.0	3.0	3.0
Operating Income	43.7	48.1	19.8	53.0	40.0
Entertainment Contents	34.6	40.8	23.7	39.5	30.5
Pachislot & Pachinko Machines	19.2	20.0	10.0	28.5	30.5
Gaming	-1.1	-0.7	-4.8	-1.5	-8.5
Other / Elimination	-9.0	-12.0	-9.1	-13.5	-12.5
Adjusted EBITDA	54.5	62.2	3.4	67.5	10.0
Entertainment Contents	40.5	48.1	2.0	50.0	10.0
Pachislot & Pachinko Machines	22.2	24.2	11.2	33.0	32.0
Gaming	0.0	1.0	0.1	-2.5	-18.5
Other / Elimination	-8.2	-11.1	-9.9	-13.0	-13.5

*See P. 14 for details about each segment

-7-

For reference, here are results per segment.

(Reference) EBITDA Adjustment Items (FY2026/3 Q3 Results) **SEGA Sammy**



For your reference, this is the breakdown of EBITDA adjustment items for Q3.

Impact of Exchange Rate Fluctuations

[Impact of foreign exchange in Q3 Results]

- Positive impact of approx. 2.1 billion yen for sales and positive impact of approx. 0.2 billion yen for operating income in the Entertainment Contents Business

		Q1	Q2	Q3
Consumer	Net Sales	-0.29	0.32	2.12
	Operating Income	-0.37	-0.20	0.16
Animation	Net Sales	-0.01	0.00	0.03
	Operating Income	-0.01	0.00	0.03
AM ¹ &TOY	Net Sales	-0.00	-0.00	-0.00
	Operating Income	-0.02	0.10	0.01

(Billion yen)

[Currency Rates]

- 1 USD: Rate in initial forecast 148.0 yen → AR 149.45 yen
- 1 GBP: Rate in initial forecast 202.0 yen → AR 199.44 yen
- 1 Euro: Rate in initial forecast 161.0 yen → AR 171.89 yen

- Recorded foreign exchange gains of 0.01 billion yen in non-operating expenses due to revaluation and settlement of receivables and payable denominated in foreign currencies

¹ AM=Amusement Machine

This is the impact of foreign exchange rate fluctuations.

In Q3, while there was a positive impact on sales in the Consumer area, overall impact was minimal.

Various Expenses, etc..

(Billion yen)		FY2025/3		FY2026/3		
		Thru Q3	Full-year Results	Thru Q3	Full-year Forecast (announced on May 12)	Revised Forecast (announced on Feb. 13)
Entertainment Contents	R&D / Content production	49.3	68.9	57.6	70.4	76.3
	Advertising	20.3	27.0	23.1	28.9	29.7
	Depreciation	3.3	4.6	3.4	4.6	4.5
	Cap-ex	4.4	7.6	6.0	6.5	8.2
Pachislot & Pachinko	R&D / Content production	9.6	13.5	10.4	14.2	14.9
	Advertising	2.7	3.4	2.6	4.2	3.1
	Depreciation	2.1	2.7	2.0	2.5	2.2
	Cap-ex	3.2	4.9	3.5	8.1	5.8
Gaming	R&D / Content production	0.6	0.9	3.6	1.6	5.3
	Advertising	0.0	0.1	1.8	0.1	2.9
	Depreciation	0.0	0.0	0.5	0.0	0.7
	Cap-ex	1.7	2.1	1.2	2.5	1.9
Consolidated total	R&D / Content production	59.6	83.3	71.6	86.3	96.5
	Advertising	24.0	31.6	28.2	34.5	36.5
	Depreciation	6.2	8.4	6.6	8.2	8.5
	Cap-ex	10.2	15.9	12.1	18.8	19.6

FY2026/3 Q3 Results

- R&D / Content production expenses:
 - Increased compared to FY2025/3 due to increase in new title launch of Full Game and F2P (CS^{*1})
 - Increased compared to FY2025/3 due to the impact of M&A (Gaming)
- Advertising and Depreciation expenses:
 - Increased compared to FY2025/3 due to increase in new title launch of Full Game and F2P (CS)
 - Increased compared to initial forecast due to the impact of M&A (Gaming)

Forecast

- R&D / Content production and Advertising expenses:
 - Increase compared to FY2025/3 and initial forecast due to impact of M&A (Gaming)
- Cap-ex:
 - Increase compared to FY2025/3 due to installation of equipment for automation in warehouse, etc.. (Pachislot & Pachinko Machines)

^{*1}CS = Consumer area

^{*}The expenses for "other/elimination" are included in "Data Appendix (FY2026/3 Q3)"

*Recognition criteria of R&D and Content Production Expenses by business segments

- Entertainment Contents Business (Full Game (CS)): Expenses are capitalized as inventory assets or intangible assets during development and booked as expenses after launch. 25% will be amortized in first month and the rest will be amortized over a period of 23 months using the straight-line method (Total amortization period is 24 months)
- Entertainment Contents Business (F2P (CS)): Expenses are capitalized as intangible assets during development and booked as expenses after launch. Expenses are amortized over a period of 24 or 36 months using the straight-line method
- Entertainment Contents Business(AM): Expenses are capitalized as inventory assets during development and booked as expenses after launch. 30% will be amortized in first 2 months with 15% per month, and the rest will be amortized 7% per 10 months using the straight-line method (Total amortization period is 12 months)
- Pachislot & Pachinko Machines Business: Expenses aren't capitalized but are recognized as they arise (outsourced process expenses are recognized when work is inspected)

-10-

Here are Various expenses, etc..

In the Entertainment Contents Business, R&D/Content production expenses increased due to increase in new title launch.

In the Gaming Business, R&D/Content production and advertising expenses increased due to the consolidation of GAN and Stakelogic.

Consolidated Balance Sheet Summary



[Assets]				[Liabilities and Net Assets]				
(Billion yen)	Account	As of the end of Mar. 2025	As of the end of Dec. 2025	Increase /Decrease	Account	As of the end of Mar. 2025	As of the end of Dec. 2025	Increase /Decrease
	Cash and Deposits	200.3	142.9	-57.4	Accounts Payable	23.5	26.6	+3.1
	Accounts Receivable	52.6	69.3	+16.7	Short Term Borrowings	7.5	7.4	-0.1
	Securities	-	0.4	+0.4	Other	63.1	75.2	+12.1
	Inventories	93.6	123.2	+29.6	Total Current Liabilities	94.1	109.2	+15.1
	Other	42.2	47.3	+5.1	Corporate Bonds	10.0	10.0	-
	Total Current Assets	388.7	383.1	-5.6	Long Term Borrowings	132.0	128.2	-3.8
	Tangible Fixed Assets	48.9	52.8	+3.9	Other	26.9	32.4	+5.5
	Intangible Fixed Assets	91.2	99.6	+8.4	Total Noncurrent Liabilities	168.9	170.6	+1.7
	Goodwill (included in Intangible Fixed Assets)	30.1	36.7	+6.6	Total Liabilities	263.1	279.8	+16.7
	Trademark right (same as above)	44.8	45.0	+0.2	Shareholders' Equity	359.7	319.8	-39.9
	Investment Securities	51.1	52.3	+1.2	Total accumulated other comprehensive income	21.3	40.4	+19.1
	Other	64.8	52.6	-12.2	Non-controlling interests	0.0	0.0	+0.0
	Total Noncurrent Assets	256.0	257.3	+1.3	Total Net Assets	381.6	360.6	-21.0
	Total Assets	644.7	640.4	-4.3	Total Liabilities and Net Assets	644.7	640.4	-4.3

	As of the end of Mar. 2025	As of the end of Dec. 2025	Increase /Decrease	Main reasons for increase/decrease
Cash, deposits and cash equivalents	198.8	143.3	-55.5	(Current assets) • Cash and deposit decreased due to M&A of GAN and Stakelogic • Increase in inventory assets associated with video game development
Interest bearing debt	149.5	145.6	-3.9	(Noncurrent assets) • Recognized impairment losses including goodwill, etc.. of Rovio (-34.1 billion yen)
Net cash	49.3	-2.3	-51.6	• Goodwill increased due to M&A of GAN and Stakelogic (+35.4 billion yen)
Equity ratio	59.1%	56.2%	-2.9p	(Net assets) • Shareholder equity decreased due to recording of losses attributable to owners of parent, the acquisition of treasury stocks, dividend payments, etc..

-11-

Here is Consolidated Balance Sheet.

As for current assets, cash and deposits decreased due to the completion of the acquisitions of GAN and Stakelogic during this fiscal year. Additionally, inventory increased due to the increase in work in progress for game development.

For noncurrent assets, while goodwill increased due to the acquisitions of GAN and Stakelogic, there was no significant change compared with the previous fiscal year due to the impairment of Rovio's goodwill in Q3. The breakdown of goodwill is provided on the next page.

Regarding net assets, while the foreign currency translation adjustments increased, shareholders' equity decreased due to the recording of a loss attributable to owners of the parent, the acquisition of treasury stocks, and dividend payments.

The D/E ratio as of the end of December was 0.43 times, which we believe remains at an appropriate level. Net cash decreased by 51.6 billion yen from the end of the previous fiscal year, resulting in a negative net cash position of 2.3 billion yen.

Regarding cash flow, although the figures are unaudited, we provide the following approximate result figures for reference.

Operating cash flow was negative 8.9 billion yen.

Investing cash flow was negative 20.9 billion yen.

Net cash used in financing activities was 32.3 billion yen.

Total cash flow, including the impact of a foreign exchange translation adjustment of 6.7 billion yen related to cash, deposits and cash equivalents, is expected to be negative 55.5 billion yen.

(Reference) Consolidated B/S (Balance of Goodwill and Other Intangible Assets) **SEGA**Sammy

Balance of goodwill and other intangible assets		End of FY2025/3	End of Q3	Remaining amortization period
Rovio	Goodwill	26.3 billion yen (181 million euro)	—	—
	Other intangible assets (trademark rights)	44.8 billion yen (308 million euro)	45.0 billion yen (244 million euro)	20 years, 8 months
	Other intangible assets (tech-related)	4.8 billion yen (33 million euro)	4.5 billion yen (24 million euro)	7 years, 8 months
GAN	Goodwill	—	17.2 billion yen (116 million USD)	9 years, 6 months
Stakelogic	Goodwill	—	18.0 billion yen (104 million euro)	8 years, 6 months

*For Stakelogic, impairment losses by the end of FY2026/3 are expected

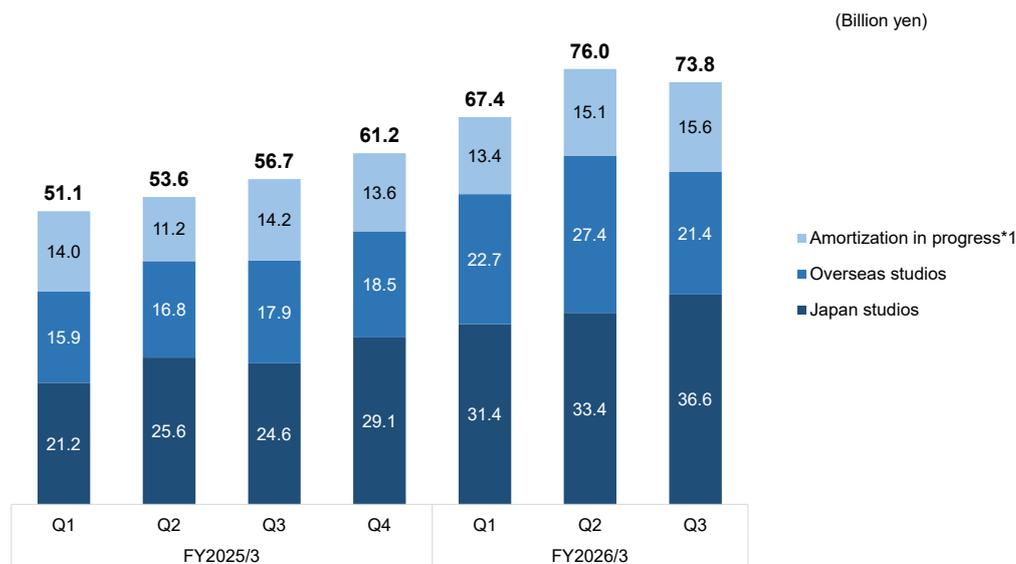
*For GAN and Stakelogic, the purchase price allocation has not been completed. Therefore, the goodwill amount and remaining amortization period are provisional figures. Should other intangible assets be identified in future purchase price allocation, the remaining amortization period may change

-12-

Here are balances of goodwill and other intangible assets and their remaining amortization period.

For GAN and Stakelogic, the purchase price allocation is not yet complete, so the amount of goodwill and remaining amortization periods are provisional figures.

The remaining amortization period may change if intangible assets are identified in future purchase price allocations.



* Amortization in progress: Unamortized portion of title assets that have been released and begun to be amortized

Here is the trend in balance of content production expenses in the Entertainment Contents Business.

During Q3, the balance decreased compared with the end of Q2 due to the commencement of amortization for major new titles launched in Q3 and the implementation of impairment losses on certain titles.

02

Per Segments Results / Forecast

(Billion yen)	FY2025/3		FY2026/3		
	Thru Q3	Full-year Results	Thru Q3	Full-year Forecast (announced on May 12)	Revised Forecast (announced on Feb. 13)
Sales	238.6	321.5	242.2	336.0	330.0
Consumer	164.8	216.8	166.5	230.0	224.0
Animation	18.8	28.0	20.5	27.5	28.5
AM & TOY	54.8	76.6	55.2	78.5	77.5
Operating Income	34.6	40.8	23.7	39.5	30.5
Consumer	25.1	28.1	14.0	27.0	18.5
Animation	6.5	8.8	6.2	6.5	7.0
AM & TOY	2.9	3.8	3.4	6.0	5.0
Ordinary Income	37.5	41.8	24.6	40.0	31.0
Indicators in the Medium-Term Plan					
Adjusted EBITDA	40.5	48.1	2.0	50.0	10.0
Full Game Sales	59.2	76.4	52.5	78.1	72.1
New titles	25.3	33.5	23.1	33.5	33.3
Repeat sales	33.9	42.8	29.4	44.5	38.8
F2P Sales	34.7	47.1	39.1	67.0	53.1
Full Game Unit Sales (Thousand)	24,810	31,450	19,530	30,090	26,530
New titles	4,790	6,570	4,170	6,070	6,290
Repeat sales	20,010	24,870	15,350	24,010	20,230

FY2026 Q3 Results

- **Overall performance fell below initial expectations, particularly in the Consumer area**
 - Full Game, new F2P titles, and Rovio underperformed compared with expectations (CS^{*1})
 - Existing F2P titles performed steadily (CS)
 - Licensing revenue, subscription services, DLC^{*2}, (all CS) and Animation area exceeded expectations

Forecast

- **Revise full-year forecast downward due to soft performance of Consumer area**
 - Reflect progress of Full Game, new F2P titles and Rovio as of the end of Q3 (CS)
 - Expect a YoY increase in licensing revenue (CS)
 - Expect steady performance in the Animation area

^{*1} CS= Consumer area, ^{*2} DLC= Downloadable content

-15-

I will now explain the details of each segment.

First, the Entertainment Contents Business.

In Q3, sales of new Full Games and repeat sales fell short of expectations in Consumer area.

In F2P, while existing titles performed steadily, new titles fell short of initial expectations.

Furthermore, Rovio's performance also fell below our initial expectations, leading to a downward revision of our full-year forecast.

On the other hand, character licensing revenue in the Consumer area, downloadable content sales, and revenue from titles provided to subscription services remained solid. Furthermore, in the Animation area, sales of video content, etc.. also performed well, contributing to stable revenue.

In Q4, we launched new titles for both Full Games and F2P and they are off to a smooth start.

		FY2026/3 Q3 Results	Forecast
Consumer	Full Game	<ul style="list-style-type: none"> Both new titles and repeat sales performed below expectations 	<ul style="list-style-type: none"> Boost sales during New Year and Lunar New Year sales campaign Release <i>Yakuza Kiwami 3</i> & <i>Dark Ties</i>
	F2P	<ul style="list-style-type: none"> Two new titles underperformed the expectations Existing titles performed as expected 	<ul style="list-style-type: none"> Service launch of <i>SEGA FOOTBALL CLUB CHAMPIONS</i>
	Other	<ul style="list-style-type: none"> Rovio's performance has been sluggish Character licensing revenue increased Recorded revenue from DLC and subscription services, etc.. 	<ul style="list-style-type: none"> Continuous updates for <i>Angry Birds 2</i> Record character licensing revenue and revenue of subscription services
Animation		<ul style="list-style-type: none"> Recorded revenue related to animation sales, etc.. Continuously recorded the allocated revenue from the first and second <i>Sonic</i> movie 	<ul style="list-style-type: none"> Start broadcasting <i>BAKIDOU</i> Continuously record the allocated revenue from the first and second <i>Sonic</i> movie
AM&TOY	AM	<ul style="list-style-type: none"> Amusement machine sales performed above expectations Sales of prize merchandise remained soft 	<ul style="list-style-type: none"> Plan to sell centered on prize category Sell <i>UFO CATCHER TRIPLE 2</i> and <i>StarHorseParty</i>
	TOY	<ul style="list-style-type: none"> Sold regular products, etc.. 	<ul style="list-style-type: none"> Plan to sell regular products, etc..

-16-

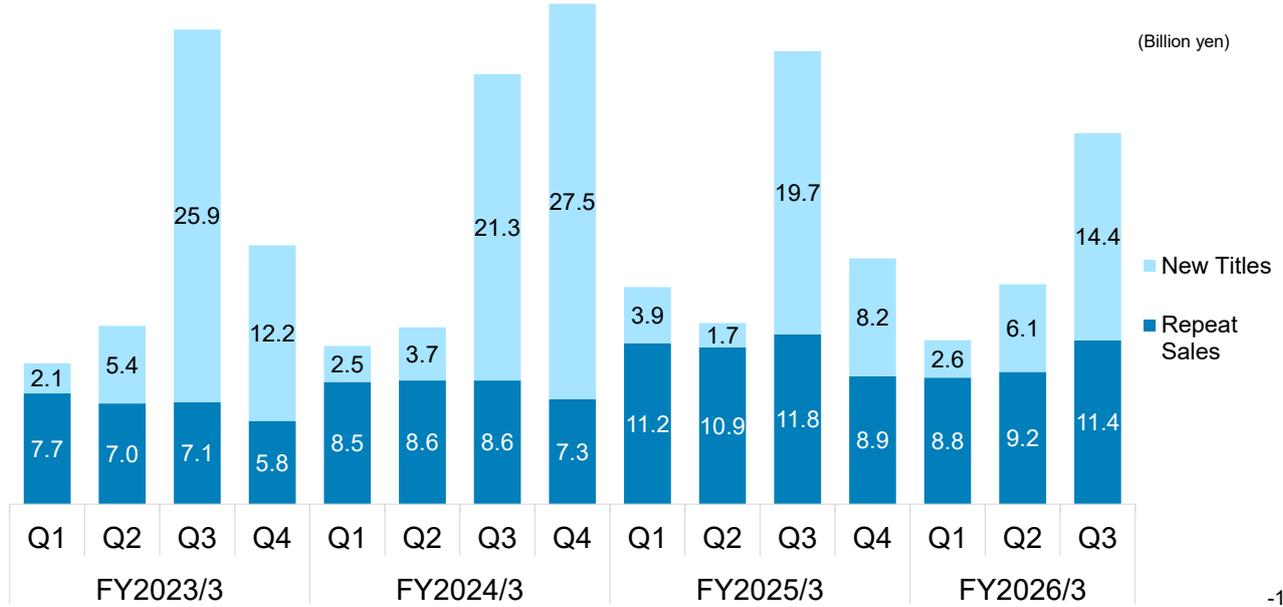
For reference, here is an explanation of each segment.

The Consumer and Animation areas are as explained earlier.

Regarding the AM & TOY area, sales of amusement machines, including *UFO CHATCHER*[®] series, performed well in Q3, and overall results were as expected.

In amusement machine sales, we plan to launch new titles in the *UFO CATCHER*[®] series and *StarHorse* series in Q4.

(Reference) Consumer Area/Full Game: Sales Trends



-17-

For reference, here is the sales trend of Full Game titles by quarter.

Although repeat sales were sluggish since Q1, sales increased during the year-end sales season in Q3, resulting in sales levels comparable to the previous fiscal year.

Repeat sales were particularly strong for past titles in the *Persona 5 Royal*, *Total War*, and *Yakuza Kiwami* series.

Main New Titles_Sales/Launch Schedule (Consumer)



		~FY2026/3 Q3	FY2026/3 Q4~	Upcoming Plans (Release Date TBD)	
Consumer	Full Game	RAIDOU Remastered: The Mystery of the Soulless Army (Jun. 19, 2025)	Yakuza Kiwami 3 & Dark Ties (Feb. 12, 2026)	Persona 4 Revival	Crazy Taxi (Title TBD)
		SHINOBI: Art of Vengeance (Aug. 29, 2025)		STRANGER THAN HEAVEN	Golden Axe (Title TBD)
		Sonic Racing: CrossWorlds (Sep. 25, 2025)		Total War: WARHAMMER 40,000	Jet Set Radio (Title TBD)
		Persona 3 Reload*1 (Oct. 23, 2025)		Total War: Medieval III	Streets of Rage (Title TBD)
		Football Manager 26 (Nov. 5, 2025)		New VIRTUA FIGHTER Project (Title TBD)	ALIEN: ISOLATION (Title TBD)
F2P		Persona5: The Phantom X² (Jun. 26, 2025)			
		Sonic Rumble (Nov. 5, 2025)			
		SEGA FOOTBALL CLUB CHAMPIONS (Jan. 22, 2026)			

*1 Available on PS5®, PS4®, Xbox Series X|S, PC, etc..

*2 China, South Korea and Traditional Chinese area version are published by Perfect World from Apr. 2024

*Only announced titles are listed in Upcoming Plans

For your reference, here is the product rollout schedule for main titles in the Consumer area.

Main New Titles_Sales/Launch Schedule (Animation, AM&TOY)



	~FY2026/3 Q3	2026/3 Q4~	Upcoming Plans (Release Date TBD)
Animation	Detective Conan : One-Eyed Flashback (Apr. 18, 2025)	BAKIDOU (Feb. 26, 2026)	The Angry Birds Movie 3 (Dec. 23, 2026 ^{*1})
	Anpanman: Chapon's Hero ! (Jun. 27, 2025)	Detective Conan: Fallen Angel of the Highway (Apr. 10, 2026)	Sonic the Hedgehog 4 (Mar. 19, 2027 ^{*2})
	LUPIN THE IIIIRD THE MOVIE: The Immortal Bloodline (Jun. 27, 2025)	Rent-a-Girlfriend (season5) (Apr. 2026)	Golden Axe (Title TBD)
	Dr.STONE SCIENCE FUTURE (Jul. 10, 2025)	Always a Catch ! (Apr. 2026)	SHINOBI (Title TBD)
	SAKAMOTO DAYS (Jul. 14, 2025)	MAGIC KNIGHT RAYEARTH (2026)	Streets of Rage (Title TBD)
	My Status as an Assassin Obviously Exceeds the Hero's (Oct. 6, 2025)		Eternal Champions (Title TBD)
AM&TOY	PAW PATROL Be with Chase (Apr. 17, 2025)	UFO CATCHER TRIPLE 2 (Feb. 12, 2026)	THE HOUSE OF THE DEAD (Title TBD)
	UFO CATCHER TRIPLE TWIN 2 (Jul. 10, 2025)	StarHorseParty (Mar. 2026)	OutRun (Title TBD)
	"ANPANMAN" Talking Picture Book 15th Anniversary Special BOX (Jul. 31, 2025)		

*1, *2 Date in () (parentheses) is the scheduled release date in the U.S., release date in other regions TBD
 *Only announced titles are listed in Upcoming Plans

This is the rollout schedule for main product in the Animation area and AM&TOY area.



Football Manager 26 (Nov. 5, 2025)

- Released a series of updates to address post-launch bugs, etc. and improved the gameplay environment
- Continue to enhance the quality and fan satisfaction through ongoing dialogue with the user community



Sonic Rumble (Nov. 5, 2025)

- Various KPIs, particularly customer acquisition, fell short of expectations
- Strengthen operations through updates and other measures

© Sports Interactive Limited 2025. Published by SEGA.
©SEGA

-20-

They are new titles launched in the Consumer area during Q3.

Regarding *Football Manager 26*, a number of bugs remained at launch and significant changes to the UI drew critical feedback from many players. Through continual updates addressing the bugs, the gameplay environment has improved, and player evaluations are now trending upward. We will continue to engage with our players to enhance player satisfaction.

Regarding *Sonic Rumble*, since its service launch on November 5, user acquisition has not progressed as planned. Various KPIs, particularly active user numbers, have fallen below expectations, resulting in a challenging start. We will work to improve the situation through event launches and updates.



Yakuza Kiwami 3 & Dark Ties (Feb. 12, 2026)

- Launched globally across multi-platform



SEGA FOOTBALL CLUB CHAMPIONS (Jan. 22, 2026)

- Launched the service globally and off to a good start
- The title rolled out on PC and certain console platforms in addition to mobile

©SEGA
 © 2026 Manchester City Football Club / LICENSED BY J.LEAGUE / © J.LEAGUE / K LEAGUE property used under license from K LEAGUE / The use of images and names of the football players in this game is under license from FIFPro Commercial Enterprises BV. FIFPro is a registered trademark of FIFPro Commercial Enterprises BV. / ©JFA ©2025 adidas Japan K.K. adidas, the 3-Bar logo, the 3-Stripes mark, Predator, F50, Y-3 and Climacool are trademarks of adidas, used with permission. / ©SEGA

They are main new titles for Q4.

Yakuza Kiwami 3 & Dark Ties was launched yesterday and is off to a solid start.

The new entry in the *Sakatsuku* series, *SEGA FOOTBALL CLUB CHAMPIONS*, launched on January 22 and is off to a strong start, particularly in Japan. This title has been rolled out globally and is available as a smartphone title, as well as playable on PC and certain console platforms.

(Billion yen)	FY2025/3		FY2026/3		
	Thru Q3	Full-year Results	Thru Q3	Full-year Forecast (announced on May 12)	Revised Forecast (announced on Feb. 13)
Sales	76.4	97.1	73.3	130.0	133.0
Pachislot	35.1	41.0	28.3	73.1	74.5
Pachinko	33.6	45.4	35.3	45.6	44.2
Other / Elimination	7.7	10.7	9.7	11.3	14.3
Operating Income	19.2	20.0	10.0	28.5	30.5
Ordinary Income	19.7	20.9	10.6	30.0	31.5

Indicators in the Medium-Term Plan		
Adjusted EBITDA	22.2	24.2

Pachislot		8 titles		2 titles		6 titles		5 titles	
Number of Titles	6 titles	8 titles	2 titles	6 titles	5 titles				
Unit Sales (units)	73,437	86,641	51,165	144,000	136,000				
Pachinko		8 titles		4 titles		6 titles		5 titles	
Number of Titles	6 titles	8 titles	4 titles	6 titles	5 titles				
Unit Sales (units)	74,040	99,889	76,930	104,000	97,000				
Board + Frame	38,826	61,925	42,351	87,700	54,000				
Board	35,214	37,964	34,579	16,300	43,000				

*New series are counted as one title
(Titles which installation started from previous FY, specification changed titles, etc.. are not included)

FY2026/3 Q3 Results

Released titles performed strongly overall

- Main Titles:
 - Smart Pachislot Bakemonogatari*
 - Smart Pachislot Hokuto No Ken Chapter of Resurrection 2* (Portion delivered in advance)
 - e Hokuto No Ken 11 Bokyosei, etc..*

Forecast

Revise the full-year forecast upward due to strong sales of each title

Launch multiple featured titles for this FY in Q4

- Pachislot:
 - Smart Pachislot Hokuto No Ken Chapter of Resurrection 2*
 - Smart Pachislot GHOST IN THE SHELL*
 - Smart Pachislot Kabaneri of the Iron Fortress: The Battle of Unato*
- Pachinko:
 - e Kabaneri of the Iron Fortress 2 Sakaseya Sanzen, etc..*

Here is about the Pachinko & Pachislot Machines Business.

During Q3, sales of both pachislot and pachinko titles performed well overall.

Furthermore, regulatory approvals for pachislot machines have progressed, enable us to prepare our sales lineup for Q4.

Looking ahead, while the number of titles and units sold for both pachislot and pachinko is expected to be slightly below the initial forecast, sales and profits are projected to exceed the initial forecast. This is due to a lineup centered on flagship titles and the strong sales of each title.

In Q4, we will continue to sell centered on flagship titles such as *Hokuto no Ken* and *Kabaneri*.

Main New Titles_Sales Schedule

	~FY2026/3 Q3	FY2026/3 Q4~	Upcoming Plans (Release Date TBD)
Pachislot	Smart Pachislot Tokyo Revengers (Sep. 2025)	Smart Pachislot Hokuto No Ken Chapter of Resurrection 2 (Jan. 2026)	A-SLOT+ Isekai Quartet BT (Apr. 2026)
	Smart Pachislot Bakemonogatari (Dec. 2025)	Smart Pachislot GHOST IN THE SHELL (Feb. 2026)	(TBD) Lycoris Recoil (Title and Release Timing TBD)
		Smart Pachislot Kabaneri of the Iron Fortress: The Battle of Unato (Mar. 2026)	
Pachinko	e Tokyo Revengers (Jul. 2025)	e The Rising of the Shield Hero Ultimate199ver. (Jan. 2026) *Specification change	e Record of Ragnarok (Apr. 2026)
	e Aura Battler Dunbine 3 ZEROSONIC (Oct. 2025)	e Shin Hokuto Muso Chapter 5 Mugentousou (Feb. 2026) *Specification change	
	P IKUSA no KO Sengokusaikyou Dodeka199ver. (Nov. 2025) *Specification change	e Kabaneri of the Iron Fortress 2 Sakaseya Sanzen (Mar. 2026)	
	e Hokuto No Ken 11 Bokyosei (Dec. 2025)		

*Only announced titles are listed in Upcoming Plans

For reference, this is the sales schedule for the Pachinko & Pachislot Machines Business.



**Smart Pachislot
Bakemonogatari**



**e Hokuto No Ken 11
Bokyosei**

Smart Pachislot Bakemonogatari

(Installation: Dec. 2025)

- Recorded industry-leading utilization* in the recent period
- Due to strong demand, additional sales are planned for April 2026

e Hokuto No Ken 11 Bokyosei

(Installation: Dec. 2025)

- Contributed to utilization as a mainstay title in year-end

*In-house estimation based on DK-SIS data of Daikoku Denki Co., Ltd (Scope: First-week utilization performance of pachislot machines sold from Jan. 2024 to Dec. 2025)

©Nisioisin/Kodansha, Aniplex Inc., SHAFT INC. ©Sammy
©Buronson & Tetsuo Hara/COAMIX 1983, ©COAMIX 2007 Approved No.A05-71W ©Sammy

They are major titles sold in Q3.

Regarding *Smart Pachislot Bakemonogatari*, it has achieved industry-leading initial utilization rate among recently released pachislot machines and has been well received. Therefore, we plan to release additional units in April.



**Smart Pachislot
Hokuto No Ken
Chapter of Resurrection 2**



**Smart Pachislot
GHOST IN THE SHELL**



**Smart Pachislot
Kabaneri of the Iron Fortress:
The Battle of Unato**

**Smart Pachislot Hokuto No Ken
Chapter of Resurrection 2**

(Installation: Jan. 2026)

- Revival of the title released in 2013
- Strong utilization

Smart Pachislot GHOST IN THE SHELL

(Installation: Feb. 2026)

- Revival of the title released in 2013
- Off to a good start

**Smart Pachislot Kabaneri of the Iron
Fortress: The Battle of Unato**

(Installation: Mar. 2026)

- Successor to *Smart Pachislot Kabaneri of the Iron Fortress* released in 2022
- Start the sales of reel part from this machine

©Buronson & Tetsuo Hara./COAMIX 1983, ©COAMIX 2007 Approved No.YJN-815 ©Sammy
©SHIROW MASAMUNE・Production I.G./KODANSHA LTD.・The Ghost in the Shell Production Committee ©Sammy
©Kabaneri Committee ©Sammy

They are the main titles planned to be sold in Q4.

The installation of *Smart Pachislot Hokuto No Ken Chapter of Resurrection 2* began in January. It has received extremely high praise, with sales significantly exceeding the planned 40,000 units. Its utilization has also remained strong.

Similarly, *Smart Pachislot Kabaneri of the Iron Fortress: The Battle of Unato* has also received high praise, with orders expected to exceed 30,000 units.

(Billion yen)	FY2025/3		FY2026/3		
	Thru Q3	Full-year Results	Thru Q3	Full-year Forecast (announced on May 12)	Revised Forecast (announced on Feb. 13)
Sales	3.1	5.4	16.7	6.0	24.0
Gaming machine sales	3.2	5.8	5.9	6.4	7.3
GAN*1	-	-	9.2	-	14.5
Stakelogic*1	-	-	1.4	-	2.2
Operating Income	-1.1	-0.7	-4.8	-1.5	-8.5
Gaming machine sales	0.2	1.0	1.3	0.6	0.9
GAN*1	-	-	-1.6	-	-2.4
Stakelogic*1	-	-	-1.0	-	-1.7
Goodwill amortization	-	-	-1.9	-	-2.9
Other common expenses ² / Elimination	-1.3	-1.7	-1.6	-2.1	-2.4
Equity method earnings amount (PARADISE SEGASAMMY*3)	2.0	3.2	2.9	1.8	3.0
Ordinary Income	0.9	2.1	-0.2	0.0	-4.0
Indicators in the Medium-Term Plan					
Adjusted EBITDA	0.0	1.0	0.1	-2.5	-18.5

*GAN and Stakelogic are recorded 3 months late to the Group as it closes its fiscal year in December. For FY2026/3, their 9 months results are incorporated (from April to December 2025)
 *Other common expenses include fixed expenses such as common personnel expenses, project-related expenses, etc..
 *PARADISE SEGASAMMY is an equity-method affiliate of the Group, PARADISE SEGASAMMY is recorded 3 months late to the Group as it closes its fiscal year in December, Local accounting standards

FY2026/3 Q3 Results

➤ Gaming machine sales for casinos and PARADISE SEGASAMMY performed strongly

- Gaming machine sales: Sales centered on the video slot *Railroad RICHES™* and *Super Burst™* series in NA
- PARADISE SEGASAMMY: Strong performance in casino sales centered on Japanese VIP customers

➤ Included the two acquired companies in consolidated P/L (Started from Q2)

Forecast

➤ Revise full-year forecast following consolidation of the two acquired companies

- Record results and goodwill amortization expenses of GAN and Stakelogic

➤ Build the foundation for growth in the Gaming Business

- Gaming machine sales: In addition to the sales of existing strong titles, sell *Railroad RICHES Link™* series, etc..
- PARADISE SEGASAMMY: Expect contribution to profit in equity-method earnings
- GAN, Stakelogic: Formulation/execution of business revitalization programs

-26-

Here is about the Gaming Business.

During Q3, our existing businesses, gaming machine sales and PARADISE SEGASAMMY continued to perform strongly.

The results of GAN and Stakelogic, two companies acquired during this fiscal year, were consolidated from Q2.

For GAN, we recorded sales of 9.2 billion yen and an operating loss of 1.6 billion yen, while recorded sales of 1.4 billion yen and an operating loss of 1.0 billion yen for Stakelogic.

While our existing businesses are progressing better than initially expected, we expect to record an expected ordinary loss due to the impact of consolidating the two acquired companies has been incorporated in our operating results forecast

Additionally, during Q3, we recorded foreign exchange gains of 1.7 billion yen as non-operating income related to loans to overseas Group Companies.

Looking ahead, we will focus gaming machine sales on the *Railroad Riches* series. Additionally, PARADISE SEGASAMMY will continue to contribute to profits, as its results are being consolidated three months late to the Group.

For GAN and Stakelogic, we will steadily advance the execution of the business revitalization programs formulated to achieve rapid profit improvement by focusing on their respective strengths.



Railroad RICHES Link™

(Installation start: Sep. 2025)



Super Burst Boosted Cartin' Gold™

(Installation start: Feb. 2026)

© SEGA SAMMY CREATION INC.

-27-

For reference, here is our main gaming machine titles.

In addition to *GENESIS ATMOS*, which has consistently received high praise, *GENESIS NOVA*, a new cabinet which installation began recently, has also garnered extremely positive reviews.

Furthermore, among the game titles applying this cabinet, the *Railroad RICHES Link™* series is showing steady growth in installations.

This *Link* title is sold as a premium lease-only title priced approximately \$10 higher per machine per day compared to conventional leases, and we will cultivate it as a source of future recurring revenue.

Furthermore, in Q4, we will introduce a new title in the high-performance *Super Burst* series to enhance our presence in the North American market.

(KRW Billion)	FY2025/3		FY2026/3
	Q3	Full year Results	Q3
Sales	410.2	539.3	441.2
Casino	315.3	415.0	355.2
Hotel	77.8	102.3	70.4
Other	17.0	21.9	15.6
Cost of sales	295.6	402.9	310.6
Casino	169.9	235.3	190.2
Hotel	91.7	123.7	93.7
Other	33.9	43.9	26.7
Gross profit	114.5	136.3	130.5
SG&A	43.3	61.6	44.2
Operating profit	71.1	74.6	86.2
EBITDA	103.4	116.4	113.0
Net profit	45.4	72.2	68.1
Number of casino visitors (Thousands)	267	363	321

Source: Paradise IR

SEGASAMMY Equity method earnings amount (Billion yen)	2.0	3.2	3.0
--	------------	------------	------------

*PARADISE SEGASAMMY is an equity-method affiliate of the Group

*PARADISE SEGASAMMY is recorded 3 months late to the Group as it closes its fiscal year in December

*Local accounting standards

FY2026/3 Q3 Results

➤ Casino sales remained strong

- Sales and income at each stage recorded highest ever
- Strong performance driven by Japanese VIP and mass customers

Forecast

➤ Expect contribution to profit in equity-method earnings

- Record incentive expenses associated with the strong performance at the end of this fiscal year

Next is about PARADISE SEGASAMMY in South Korea.

Results for PARADISE SEGASAMMY shown here are from January to September 2025, as its inclusion in our results is recorded with a three-month delay. Casino sales remained strong, primarily driven by Japanese customers, and hotel sales also performed well. Consequently, the equity method earning amount was 3.0 billion yen, significantly exceeding the same period last year.

Looking ahead, as both casino and hotel sales continue to perform well, we expect continued profit contribution through the equity method.

Furthermore, in September last year, we acquired the building assets of the Grand Hyatt Incheon West Tower adjacent to PARADISE SEGASAMMY. It is scheduled to commence operations as the Hyatt Regency Incheon PARADISE CITY starting on March 9.

We will further enhance our competitive advantage as an IR operator and appropriately respond to the increasing demand for accommodation from overseas casino customers.

03

Future Direction

-29-

Speaker: Haruki Satomi (President and Group CEO, Representative Director of SEGA SAMMY HOLDINGS INC.)

First of all, we sincerely apologize that we expect to record a net loss for this fiscal year for the first time in 11 years. Since last year, investors have pointed out several concerns when making investment decisions regarding our shares. The first concern was the delay in obtaining approvals for Pachislot & Pachinko Machines in the first half of this fiscal year. This issue has already been resolved, and the performance is progressing steadily. The second concern was the possibility of impairment related to Rovio. The third concern was the impact on performance due to the consolidation of the two companies acquired through M&A in the Gaming Business. With today's announcement, we believe that a path forward has been established regarding these three concerns.

At the same time, we also recognize that new concerns have arisen regarding profitability and growth in the Entertainment Contents Business. Last year, SEGA became the No.1 publisher on Metacritic, a review aggregation site, demonstrating that our ability to produce high-quality titles is steadily improving. However, we recognize that we face challenges in our ability to "deliver" these titles to users around the world. As CEO, I believe my role is not to create one-off hits, but to build a system that enables us to reproduce hits consistently. There is also room to further expand the development of SEGA's IPs. Like *Sonic*, which goes beyond games, is delivered globally through various media, and continuously creates value, we aim to strengthen Transmedia expansion, leading to our strength. Through these efforts, we will strive to become a company that continues to win.

Regarding concerns about a conglomerate discount, we believe that increasing confidence in our capital allocation policy and enhancing the reproducibility of generating hits continuously will provide reassurance for investors. Regarding M&A, we executed three large-scale deals to address weaknesses in our businesses. However, in light of the current situation, we have reviewed our capital allocation policy and decided to suspend large-scale M&A for the time being.

For the next fiscal year, sales of 500.0 billion yen are coming into view, but rather than prioritizing scale expansion, we will promote portfolio management that emphasizes capital efficiency, including Return on Invested Capital (ROIC), and aim to enhance efficiency and reproducibility. We firmly believe that the sum of the captivating experiences we create becomes our sales and that the accumulation of these experiences leads to the satisfaction of our fans, which ultimately generates profits. This virtuous cycle is what will maximize corporate value.

Future Direction

■ Entertainment Contents Business

- 1) Recognition of Rovio's impairment losses and future initiatives
- 2) Challenges and responses in Consumer area

■ Gaming Business

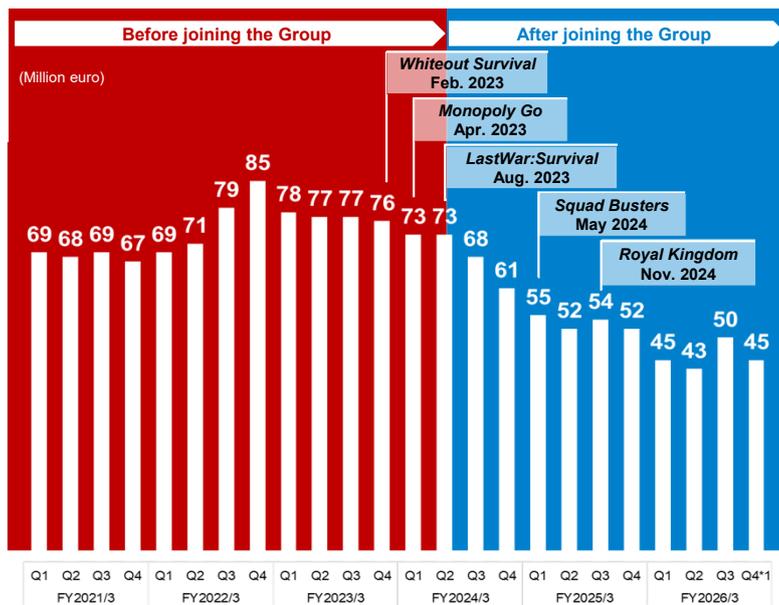
- 1) Expected incurrence of impairment losses of goodwill (Stakelogic)
- 2) Approach to future business development

■ Review of capital allocation

■ Initiatives for the next fiscal year

We will explain in line with the four topics listed here.

About Rovio



- Declining trend has continued since joining the Group
 - The rapid deterioration of the UA (User Acquisition) environment due to the successive launches of major titles from other companies
 - For FY2026/3, although certain recovery can be seen due to the large-scale event and promotional measures implemented in Q3 for *Angry Birds 2*, overall sales are expected to decrease YoY due to the impact of other titles

¹ For FY2026/3, figures through Q3 are the results, and Q4 figures are forecast
 *Until FY2024/3, monthly sales data is simply aggregated on an April-March basis

First, I will explain Rovio in the Entertainment Contents Business.

The red portion of the graph shows Rovio’s sales trend before joining our Group, while the blue portion shows the trend after joining. Around 2022, when acquisition negotiations began, Rovio’s performance was steady, and it remained stable even after the acquisition announcement. Under these circumstances, we did not anticipate that sales would decelerate to this extent after joining our Group.

We believe that there were both internal and external factors. As shown in the graph, we think the major external factor that led to the deterioration in Rovio’s performance was the launch of multiple large hit titles that significantly impacted the mobile market around the time of Rovio’s joining to our Group.

Although we recorded a significant impairment related to Rovio this time, the value of Rovio itself and the IP value of *Angry Birds* have not been lost. We recognize that a key issue going forward is how to enable Rovio to once again demonstrate its potential.

Gap from the Time of Acquisition

- Rovio's performance fell significantly short of initial forecast due to rapid changes in the market environment and other factors
- Efforts to leverage Beacon*¹ and collaborative initiatives are underway, but expected synergies have not yet been generated

Assumptions at the acquisition	Results	Factors
<ul style="list-style-type: none"> • Stable performance of existing key titles • Regular launch of new titles • Increase in sales and profits by the implementation of Beacon on existing SEGA titles • Launch of collaborative titles between SEGA and Rovio 	<ul style="list-style-type: none"> • Existing key titles have declined more than expected • No titles reached official launch • SEGA's knowledge acquisition through Beacon utilization progressed, but did not lead to an increase in sales and profits • Collaborative title <i>Sonic Rumble</i> officially launched but struggled as each KPI fell below expectations 	<ul style="list-style-type: none"> ■ External Factors <ul style="list-style-type: none"> • Rapid deterioration of the mobile game market environment <ul style="list-style-type: none"> ✓ Market consolidation driven by top competing titles ✓ Large-scale investments for UA by competitors ✓ Slowdown of the market expansion ■ Internal Factors <ul style="list-style-type: none"> • New titles haven't met the target KPI, and the development delays and development cancellations occurred as most of those were based on new IP • Economic benefit from Beacon utilization on SEGA title hasn't been materialized

*1 F2P game operation support tool owned by Rovio

Next, I will explain the assumptions at the time of acquisition, the results to date, and the factors that caused the gap to emerge.

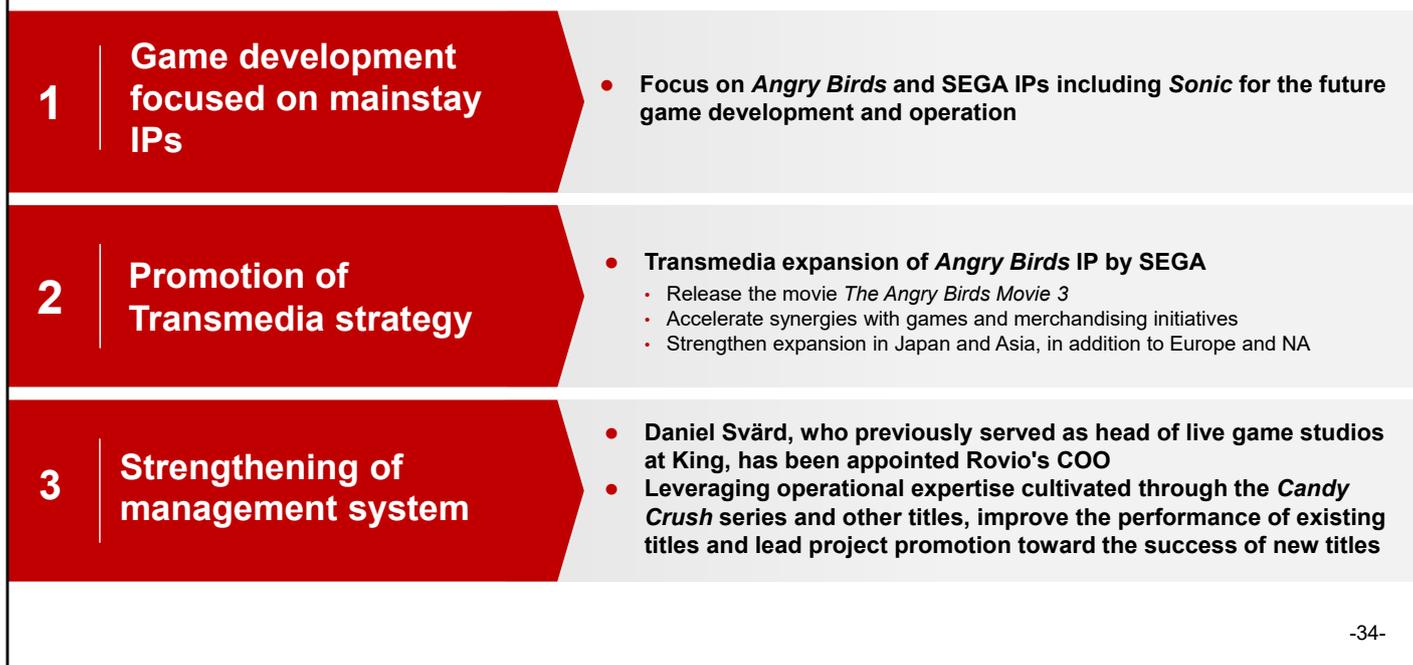
First, existing core titles, for which we expected continued stable sales, declined more than anticipated. In addition, at the time of acquisition, the plans had been made that included multiple new titles Rovio was developing. However, following the results of closed beta tests, etc., development cancellations occurred in succession, and the titles did not proceed to official launch.

Furthermore, with regard to "Beacon," an F2P game operations support tool that we highly valued, we attempted to apply it to SEGA titles. However, while knowledge acquisition progressed on the SEGA side, it did not lead to the clear contribution to sales and profits that we had expected.

Finally, *Sonic Rumble*, which we launched as a collaborative title between SEGA and Rovio, also fell significantly short of initial expectations.

At the Q2 financial results briefing, we had stated that we planned to conduct Rovio's impairment test at the end of this fiscal year. However, as the underperformance of *Sonic Rumble* exceeded our expectations, we made the decision to recognize the impairment at the time of the Q3 financial results.

As for external factors, as mentioned earlier, we believe that the launch of competing titles that had a significant impact on the market around the time before and after Rovio joined the Group was a major factor. As each company invested enormous advertising expenses in these titles, advertising efficiency deteriorated. Rovio therefore shifted to suppress advertising expenses, but as a result, active users of its mainstay titles gradually declined, leading to a significant decrease in both sales and profits.



This is about our future initiatives regarding Rovio.

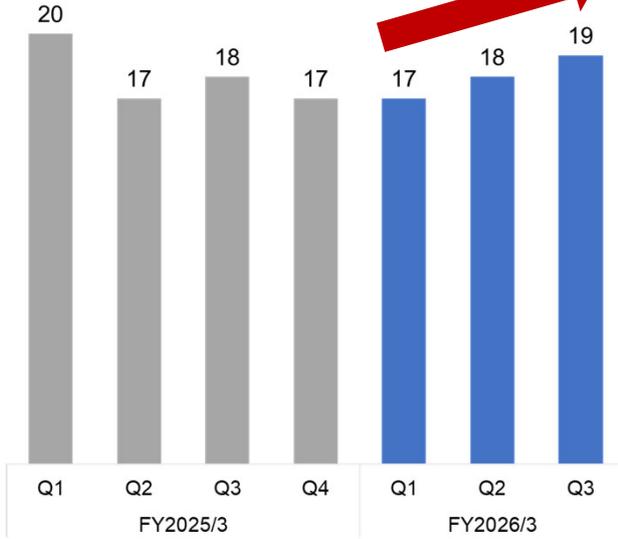
First, regarding game development, we will focus not on new IP, but on titles utilizing the mainstay IP of both companies, such as Rovio's *Angry Birds* and *Sonic*, where we have strengths.

In addition, we will also strengthen Transmedia strategy for Rovio IP. For *Angry Birds*, all licensing-out operations were outsourced to external agents until the end of 2025, but we have shifted it to a structure in which deployment is led by the Group in collaboration with SEGA's Transmedia team.

As part of strengthening of management system, we have appointed Mr. Daniel Svärd, who served as head of studios at King, known for *Candy Crush*, as Rovio's COO. Under his leadership, particularly in the puzzle game area, signs of improvement have begun to emerge.

Concentration on Mainstay IPs (Sales Trend of Mainstay Titles)

(Million euro)



- Sales have reversed their declining trend since the start of this fiscal year
 - Customer acquisition has recovered through reinvestment of advertising expenses following improvements to the UA environment
 - The major update implemented in October 2025 led to improvements in various KPIs, primarily sales

-35-

For the mainstay title *Angry Birds 2*, various KPIs have steadily improved due to the large-scale update implemented in October. Sales have also halted their declining trend, and although still modest, are beginning to turn toward recovery.

➤ Growth of the *Angry Birds* IP through Transmedia

- Enhancement of the licensing business structure



- Integrated licensing business of *Angry Birds* IP into SEGA's Transmedia business from 2026
- Initiated efforts in Japan and Asia, expanding beyond our traditional focus on Western markets

- *The Angry Birds Movie 3* is scheduled for release



- SEGA participates in production and leverages accumulated expertise in *Sonic* movie
- Plan for creating synergistic effects with games and active expansion of merchandising and other initiatives

©SEGA
Angry Birds and all related properties, titles, logos, and characters are trademarks of Rovio Entertainment Ltd and are used with permission. All Rights Reserved.

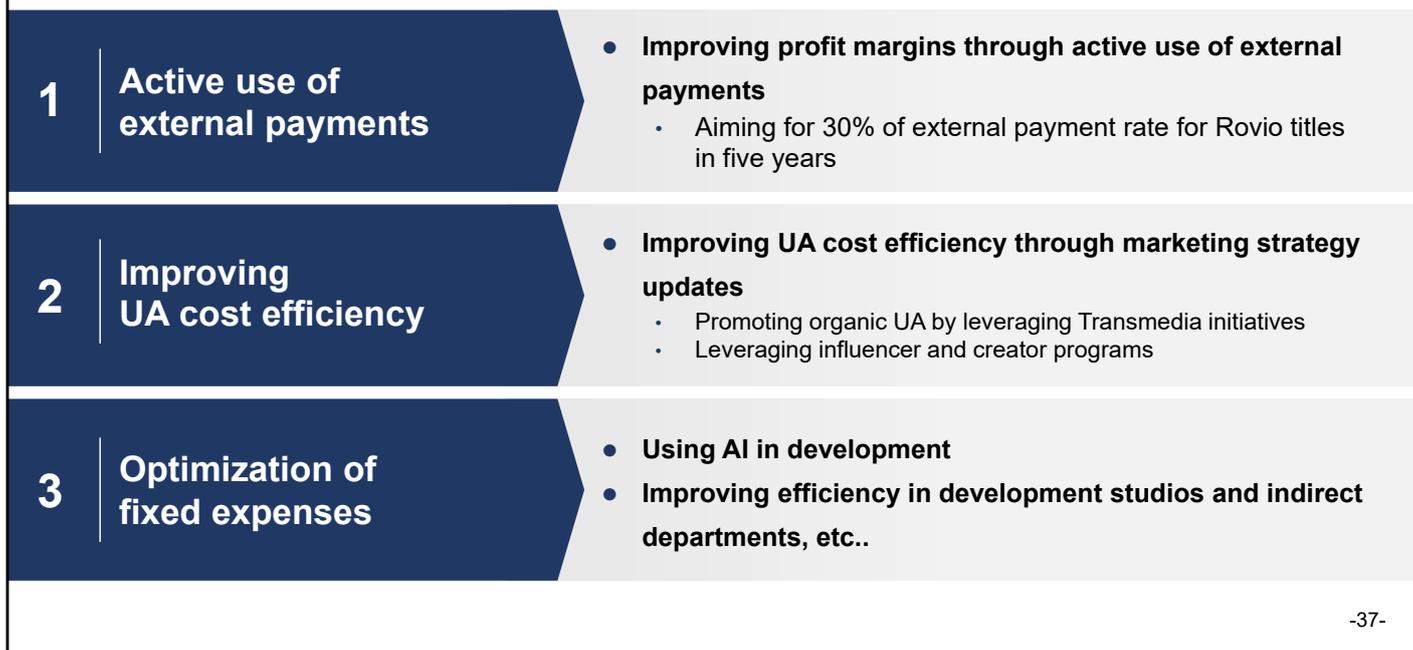
-36-

Regarding the Transmedia strategy, the third *Angry Birds* movie is scheduled for release this December.

The first film in the *Angry Birds* movie series became a major hit, however the second film did not achieve the expected results, and plans for the third film had been stalled for a long time. However, with Rovio joining the Group, we now have a structure in place to apply the know-how cultivated through the *Sonic* movie to this project. Producers who worked on the *Sonic* movie are also participating from SEGA, and the production partner has been changed from Sony Pictures for the previous film to the Paramount Skydance group, the same as *Sonic*.

At the same time, we are strengthening the licensing business. In terms of design, we will expand product lines in the “cute/fancy” category, which we had not previously developed, leveraging SEGA’s know-how, and we will expand not only in Europe and North America, which have been our core markets, but also in Japan and Asia.

In addition, international market research conducted by the Company confirmed that in some countries, awareness of *Angry Birds* exceeds that of *Sonic*. With leveraging these strengths, we will further promote Transmedia expansion worldwide.



This is about efficiency measures.

First, we will promote external payments. We aim to increase the external payment ratio for Rovio titles to approximately 30% with a target of about five years.

Next is the efficiency of UA initiatives. Previously, there was a high dependence on digital marketing, but we will actively leverage influencer initiatives and creator programs, and implement initiatives that expand the fan base and foster communities without relying solely on ROAS.

In addition, we will work to optimize fixed expenses and strengthen the business foundation.

About the Consumer Area

- Transition to a regrowth phase through transformation of the revenue structure for the consumer business

Challenges

- High volatility in sales / uncertainty in investment recovery
 - Stagnant growth in sales of major Full Game titles
 - Underperformance of the new F2P title: *Sonic Rumble*
 - Quality issues with some titles
- Falling behind in digital sales and data utilization
 - LTV maximization and recurring billing structures are immature
- Regional fragmentation in publishing functions
 - Difficult to implement global simultaneous launches and efficient investments
- Lagging behind in marketing method updates
 - Increase in Customer Acquisition Cost (CAC)/Decrease in ROI



Response Policy (Under Review)

- **Structural transformation to a data-driven consumer business**
 - Establishment of an organization specializing in data analytics
 - ✓ Redesign of KPIs/PDCA Enhancement
 - Restructuring marketing evaluation criteria
 - ✓ Community size, continuity rate, and monetization conversion rate
 - Strengthening digital sales through an IP-centric approach
 - ✓ Linkage between new and catalog titles
 - ✓ Enhancement of global simultaneous roll-out
 - ✓ Design for maximizing LTV
- **Redefining role of F2P and Full Game, optimization of portfolio**
 - Review of the domestic F2P-related personnel allocation
- **Enhancement of QCD management**
 - Prompt response to issues arising after launch

-39-

Next, I will explain the Consumer area.

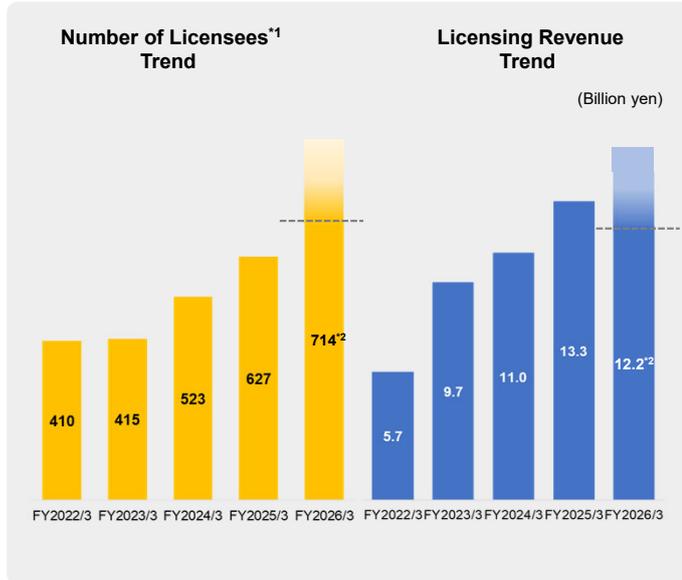
First, as current challenges, we recognize that sales volatility is extremely high, resulting in significant uncertainty in investment recovery. Sales of major Full Game titles have been stagnant, and new F2P titles have struggled. In addition, *Football Manager 26* experienced quality issues.

Furthermore, the shift to digital sales and data utilization has been delayed, and we have not been able to sufficiently maximize the lifetime value of titles. We also recognize that the inefficiencies caused by publishing functions being fragmented by region, and delays in updating marketing methods as other issues.

As countermeasures, we are currently advancing structural transformation to a data-driven consumer business. We will establish a specialized data analytics organization and redesign KPIs. We will also renew marketing evaluation metrics and, in addition to traditional SNS, we will strengthen our approaches to proactively engage with gamer communities such as Reddit and Discord.

We will also strengthen digital sales centered on IP and redefine the roles of F2P and Full Game to optimize our portfolio. Furthermore, we will continue to strengthen QCD management.

➤ Sales of Transmedia businesses are growing steadily



- Number of licensees has already exceeded FY2025/3 at the end of Q3
- Shifted from traditional agency-led expansion to SEGA-led expansion, leveraging SEGA's Transmedia expansion expertise
- With the release of the *Sonic* and *Angry Birds* movies scheduled for FY2027/3, increase in traction is expected
 - *The Angry Birds Movie 3* (Dec. 23, 2026)
 - *Sonic the Hedgehog 4* (Mar. 19, 2027)

¹ Number of licensees refers to the number of business partners for whom sales were recorded during each fiscal year
² Figures at the end of FY2026, Q3

The Transmedia business is progressing very well.

As of the end of December 2025, we have already partnered with 714 companies, and we plan to further strengthen expansion by adding *Angry Birds*.

Licensing revenue has also reached 12.2 billion yen as of the end of December 2025, and we anticipate significantly exceeding the results of the previous fiscal year for the full year.

About the Gaming Business

[About Stakelogic]

Discrepancies have arisen from the assumptions at the time the acquisition was decided



Based on the above, urgent restructuring through PMI to be implemented

- Regulation was tightened in the Netherlands during the period from the acquisition announcement to completion, which led to a large market contraction exceeding expectation and projected revenue has declined
- Expect to recognize impairment losses of approx. 15.0 billion^{*1} yen at FY2026/3
- Restructuring of management system (completed)
- Review of unprofitable businesses and fundamental reform of the fixed expenses structure
- Shift and redesign of product development policy (converting SSC^{**2}'s video slot content into online service including social casino and other initiatives)

[Future Direction]

- Stakelogic's role within the Omnichannel strategy for the Gaming Business remains unchanged
- SSC, GAN and Stakelogic will collaborate to advance entry into the U. S. online gaming market including social casino as a B2B supplier

^{*1} The amount is currently under review. Incorporated into the revised operating results forecast announced on February 13, 2026

^{**2} SSC = Abbreviation of SEGA SAMMY CREATION

Next, I will explain the Gaming Business.

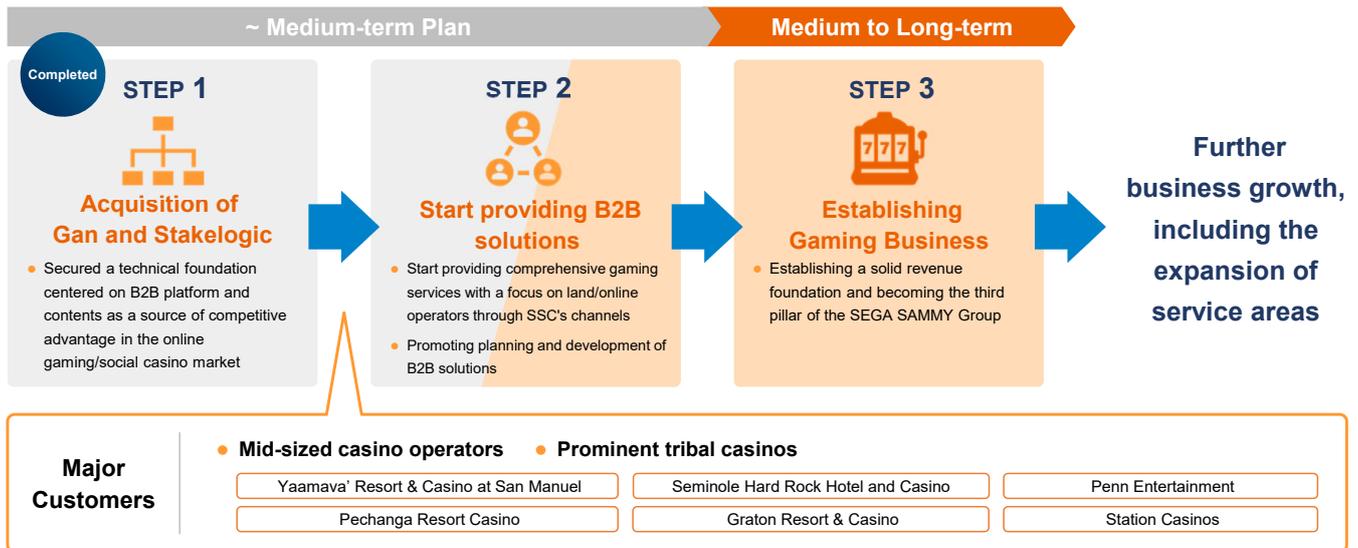
Regarding Stakelogic, we announced that we expect to record an impairment of 15.0 billion yen at the end of FY 2026/3.

We understand the concern of “why an impairment occurred so soon after the acquisition.” However, the primary factor is that nearly a year elapsed between the announcement of the acquisition and its closing, and during that period, regulatory tightening progressed in the Netherlands, which significantly reduced the size the Dutch market—previously a major source of revenue for Stakelogic—and substantially changed the business environment. This deviated significantly from our initial assumptions.

Currently, we have renewed the management structure and are working to improve revenue structure by reviewing unprofitable businesses and reducing fixed costs etc.. On the other hand, Stakelogic’s development capabilities are higher than we had anticipated, and we evaluate it as an important capability in expanding video slot content owned by SEGA SAMMY CREATION to online gaming, including social casino.

Therefore, there is no change in the positioning of Stakelogic within our omnichannel strategy in the Gaming Business. In collaboration with GAN, Stakelogic and SEGA SAMMY CREATION, as a B2B supplier, we plan to first advance expansion in the U.S. online gaming market, including social casino.

B2B Omnichannel Solution Provider



For reference, this is a schematic roadmap.

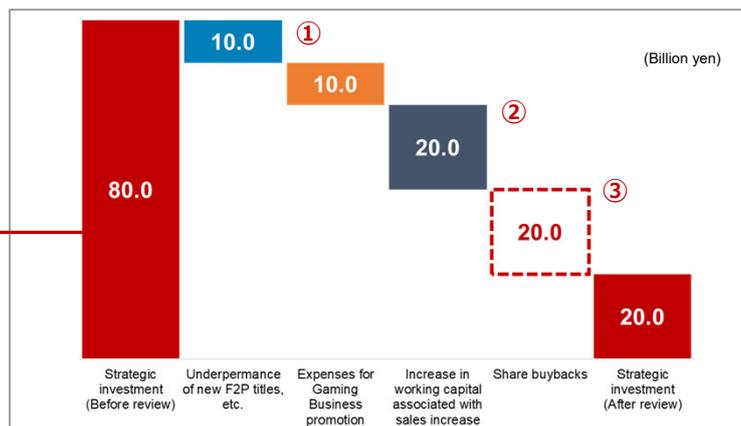
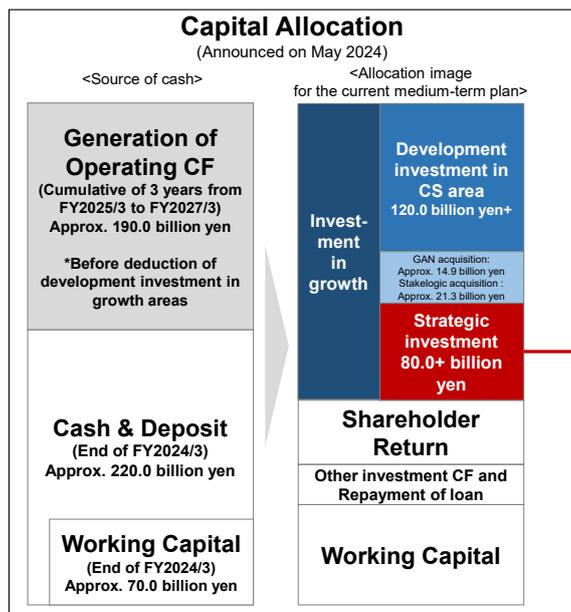
Step 1 has been completed, and we will continue to provide B2B solutions following this step.

For example, in California, tribal casinos such as Yaamava have a strong presence and are major customers for our Company. We will first provide solutions that contribute to the social casino expansion of these operators.

In addition, we have a mechanism that enables seamless migration from existing social casino to online casino. Looking ahead to the future legalization of online casinos in this state, we are making proposals to operators that include this scalability. Furthermore, in social and online casinos, slot machines that are popular in real land-based casinos tend to have higher utilization and stronger performance.

Based on this, for partners using our B2B solutions, we plan to prioritize the deployment of content owned by SEGA SAMMY CREATION.

About the Review of Capital Allocation



[Key Review Points]

- ① Decrease in operating cash flow due to underperformance of new F2P titles, etc..
- ② Increased the working capital amount associated with increase in sales resulting from the acquisition of the two companies in the Gaming Business
- ③ Suspend large-scale M&A, implement share buybacks, and review strategic investment framework

-45-

Next is an explanation of our capital allocation policy.

We had previously set a strategic investment framework of 80.0 billion yen, however, we have reviewed both the framework and its uses.

First, as new F2P titles are underperforming expectations, cash flow is expected to decrease by approximately 10.0 billion yen. Next, as the Gaming Business is still a loss-making business, we expect a decrease of 10.0 billion yen here as well. In addition, considering that sales scale has expanded to approximately 500.0 billion yen, we have reviewed the level of our working capital.

We will reduce the remaining strategic investment framework to 20.0 billion yen. Even within this 20.0 billion yen, we may consider acquisitions for relatively small-scale projects primarily aimed at functional enhancement but we will not conduct large-scale M&A for the time being.

Finally, the remaining 20.0 billion yen will be reallocated for share buyback.

About the Initiatives for the Next Fiscal Year

➤ Initiatives in each business for the next fiscal year

Entertainment Contents Business

- Plan to release four major new titles for mainstay IPs
- Maximize title potential through enhancement of "sales capabilities"
- Continue to expand Transmedia business

Pachislot & Pachinko Machines Business

- Plan to release multiple titles, including mainstay IPs and the IPs adapted for pachislot & pachinko machines for the first time
- Penetration of the new pachislot cabinet business model

Gaming Business

- Expect continued strong performance in existing business areas
- Full-scale launch of online gaming business (B2B)

-47-

Lastly, I will briefly explain initiatives for the next fiscal year.

In the Entertainment Contents Business, we plan to launch four new titles of mainstay IP within the next fiscal year. I will refrain from disclosing the specific release dates for each title at this time. Regarding the point of "sales capabilities," which we view as an area for improvement, we will develop a structure that enables us to deliver our content to users worldwide to the maximum extent. In addition, we will continue to expand the Transmedia business and aim to achieve further growth, including Rovio's IP.

In the Pachislot & Pachinko Machines Business, in addition to mainstay IP, we plan to launch multiple titles using IPs adapted for the first time in industry. Additionally, we have also begun introducing separate cabinets for pachislot machine. Compared to the sales price of the entire cabinet, the sales price of only the reel parts (separate part) is expected to be reduced by approximately 100,000 yen.

By reducing the cost burden on halls, it will become easier to introduce new machines, leading to returns to users and establishing a positive cycle.

Regarding the Gaming Business, as mentioned earlier, in addition to our slot machine sales business, PARADISE CITY is performing exceptionally well. We will steadily expand our existing areas while advancing the launch of our B2B business.

04

Appendix

Roll-out Schedule (CS area)

		Title	Launch	Region	Platform	
Full Game	FY2026/3	SONIC X SHADOW GENERATIONS	Jun. 5, 2025	Global	Multi-platform	Date in "Launch" is the release date of Nintendo Switch™ 2 ver. Available in other platforms as well
		Yakuza 0 Director's Cut	Jun. 5, 2025	Global	Multi-platform	Plan to release for PS5®, Xbox Series X S and Steam in Dec.
		Puyo Puyo™ Tetris®2S	Jun. 5, 2025	Global	Nintendo Switch™ 2	Date in "Launch" is the release date in Japan. Planned to be released simultaneously with Nintendo Switch™ 2 outside of Japan.
		RAIDOU Remastered: The Mystery of the Soulless Army	Jun. 19, 2025	Global	Multi-platform	
		SHINOBI: Art of Vengeance	Aug. 29, 2025	Global	Multi-platform	
		Sonic Racing: CrossWorlds	Sep. 25, 2025	Global	Multi-platform	
		Persona 3 Reload	Oct. 23, 2025	Global	Nintendo Switch™ 2	Available on PS5®, PS4®, Xbox Series X S, PC, etc.
		Virtua Fighter 5 R.E.V.O. World Stage	Oct. 30, 2025	Global	Multi-platform	Release of Nintendo Switch™2 ver.: Mar. 26, 2026
		Football Manager 26	Nov. 5, 2025	Global	Multi-platform	Release of Nintendo Switch™ ver. and package of PS5® ver.: Dec. 4.
		Yakuza Kiwami	Nov. 13, 2025	Global	Nintendo Switch™ 2	Available on Nintendo Switch™, PS4®, Xbox One, and PC
	Yakuza Kiwami 2	Nov. 13, 2025	Global	Nintendo Switch™ 2	Available on PS4®, Xbox One, and PC	
	Yakuza Kiwami 3 & Dark Ties	Feb. 12, 2026	Global	Multi-platform		
	TBD	Persona 4 Revival	TBD	Global	Xbox Game Pass, Xbox Series X S, Windows, PlayStation®5, Steam	
	TBD	STRANGER THAN HEAVEN	TBD	TBD	TBD	
	TBD	Total War: WARHAMMER 40,000	TBD	Global	Multi-platform	
TBD	Total War: Medieval III	TBD	TBD	TBD		
F2P	FY2026/3	Persona5: The Phantom X	Jun. 26, 2025	Global	iOS/Android/PC	China, South Korea and Traditional Chinese area version are published by Perfect World from Apr. 2024
		Sonic Rumble	Nov. 5, 2025	Global	iOS/Android/PC	
		SEGA FOOTBALL CLUB CHAMPIONS	Jan. 22, 2026	Global	PS5®/PS4®/iOS/Android/PC	
TBD	FY2026/3 onward	New VIRTUA FIGHTER Project (Title TBD)	TBD	TBD	TBD	
		Crazy Taxi (Title TBD)	TBD	TBD	TBD	
		Golden Axe (Title TBD)	TBD	TBD	TBD	
		Jet Set Radio (Title TBD)	TBD	TBD	TBD	
		Streets of Rage (Title TBD)	TBD	TBD	TBD	
		ALIEN: ISOLATION (Title TBD)	TBD	TBD	TBD	

*Only main announced titles are listed

Roll-out Schedule (Animation area)

		Title	Launch	Region	Platform	
TMS ENTERTAINMENT	FY2026/3	Detective Conan : One-Eyed Flashback	Apr. 18, 2025	-	-	
		LUPIN THE IIIIRD: Zenigata and the Two Lupins	Jun. 20, 2025	-	Multi-platform	
		LUPIN THE IIIIRD THE MOVIE: The Immortal Bloodline	Jun. 27, 2025	-	-	
		Anpanman: Chapon's Hero !	Jun. 27, 2025	-	-	
		Dr.STONE SCIENCE FUTURE	Jul. 10, 2025	-	-	
		SAKAMOTO DAYS	Jul. 14, 2025	-	-	
		My Status as an Assassin Obviously Exceeds the Hero's	Oct.6, 2025	-	-	A work of UNLIMITED PRODUCE Project ^{*1}
	BAKIDOU	Feb.26, 2026	Global	NETFLIX	Exclusive worldwide distribution	
	FY2027/3 onward	Detective Conan: Fallen Angel of the Highway	Apr.10, 2026	-	-	
		Rent-a-Girlfriend (season5)	Apr. 2026	-	-	
Always a Catch !		Apr. 2026	-	-		
MAGIC KNIGHT RAYEARTH		2026	-	-		
License-out/ Investment Project etc.	FY2026/3 onward	The Angry Birds Movie 3	Dec. 23, 2026	-	-	Date in "Launch" is the scheduled release date in U.S. Release date in other regions TBD
		Sonic the Hedgehog 4	Mar. 19, 2027	-	-	Date in "Launch" is the scheduled release date in U.S. Release date in other regions TBD
		Golden Axe (Title TBD)	TBD	TBD	TBD	Licensing out
		SHINOBI (Title TBD)	TBD	TBD	TBD	Licensing out
		Streets of Rage (Title TBD)	TBD	TBD	TBD	Licensing out
		Eternal Champions (Title TBD)	TBD	TBD	TBD	Licensing out
		THE HOUSE OF THE DEAD (Title TBD)	TBD	TBD	TBD	Licensing out
		OutRun (Title TBD)	TBD	TBD	TBD	Licensing out

^{*1} UNLIMITED PRODUCE Project: an initiative to produce animation works in collaboration with other studios, with the aim of strengthening the animation production business

*Only main announced titles are listed

Roll-out Schedule (AM&TOY area)

		Title	Launch	Region	Platform	
AM	FY2026/3	PAW PATROL Be with Chase	Apr. 17, 2025	-	-	
		UFO CATCHER TRIPLE TWIN 2	Jul. 10, 2025	-	-	
		NICO MAKE	Jul. 3, 2025	-	-	
		UFO CATCHER TRIPLE 2	Feb. 12, 2026	-	-	
		StarHorseParty	Mar. 2026	-	-	
TOY	From FY2025/3	Favoritoy Acrylic Nuigurumi/Acrylic Doll	Jan. 2025 -	-	-	
	FY2026/3	"ANPANMAN" Talking Picture Book 15th Anniversary Special BOX	Jul. 31, 2025	-	-	
		GoGo! ANPANMAN Cycling	Nov. 6, 2025	-	-	
		DREAM SWITCH Basic Set	Oct. 23, 2025	-	-	

*Only main announced titles are listed

Sales Schedule

[Main titles sold by Q3 / titles planned to be sold Q4 onward]

		Title	Installation	Unit Sales	Specification Range ^{*1}	Sort
Pachislot	By Q3	Smart Pachislot Tokyo Revengers	Sep. 2025	28,753 units	Medium	New Series
		Smart Pachislot Bakemonogatari	Dec. 2025	13,777 units	Medium	New Series
	In Q4	Smart Pachislot Hokuto No Ken Chapter of Resurrection 2	Jan. 2026	-	High	New Series
		Smart Pachislot GHOST IN THE SHELL	Feb. 2026	-	Medium	New Series
		Smart Pachislot Kabaneri of the Iron Fortress: The Battle of Unato	Mar. 2026	-	Medium	New Series
	FY2027/3 onward	A-SLOT+ Isekai Quartet BT	Apr. 2026	-	Low	New Series
		(TBD) Lycoris Recoil	-	-	-	New Series

		Title	Installation	Unit Sales	Specification Range ^{*2}	Sort
Pachinko	By Q3	e Tokyo Revengers	Jul. 2025	22,034 units	High Middle	New Series
		e Aura Battler Dunbine 3 ZEROSONIC	Oct. 2025	7,144 units	Light Middle	New Series
		P IKUSA no KO Sengokusaikyou Dodeka199ver.	Nov. 2025	3,688 units	Light Middle	Specification Change
		e Hokuto No Ken 11 Bokyosei	Dec. 2025	23,119 units	High	New Series
	In Q4	e The Rising of the Shield Hero Ultimate199ver.	Jan. 2026	-	Light Middle	Specification Change
		e Shin Hokuto Muso Chapter 5 Mugentousou	Feb. 2026	-	Light Middle	Specification Change
		e Kabaneri of the Iron Fortress 2 Sakaseya Sanzen	Mar. 2026	-	High Middle	New Series
	FY2027/3 onward	e Record of Ragnarok	Apr. 2026	-	Middle	New Series

*1 Specification Range (Pachislot): Classified by gambling aspect level (High/Medium/Low). Calculated based on in-house definition

*2 Specification Range (Pachinko): Classified by symbol matching probability (High/High Middle/Middle/Light Middle/Light/Minimum/Other) Based on the jackpot probability classification of Daikoku Denki Co., Ltd.
High=1/320 or less, High Middle=1/280~1/319, Middle=1/200~1/279, Light Middle=1/120~1/199, Light=1/40~1/119, Minimum=1/39 or more

*Unit sales only in FY2026/3 are listed

*Only announced titles are listed



<https://www.segasammy.co.jp/en/ir/>

Cautionary Statement for Investors and Shareholders with Respect to Gaming Statutes and Regulations

SEGA SAMMY HOLDINGS INC. (the "Company") is registered with the Nevada Commission as a publicly traded corporation and has been found suitable to directly or indirectly own the stock of its subsidiary, SEGA SAMMY CREATION INC., and Sega Sammy Creation USA Inc., GAN (UK) Limited, GAN Nevada, Inc., wholly owned subsidiaries of SEGA SAMMY CREATION INC. (collectively, the "Operating Subsidiaries"), that have been licensed as manufacturers and distributors of gaming devices and an operator of an information service in Nevada. Pursuant to Nevada law, the Company's shareholders are subject to the rules and regulations of the Nevada Gaming Authorities. A detailed explanation of Gaming Statutes and Regulations can be found on the Company's corporate website:

<https://www.segasammy.co.jp/en/ir/stock/regulation/>

The Operating Subsidiaries have also been licensed as suppliers, vendors, data providers, manufacturers and distributors of gaming devices in multiple countries, states, and regions other than the State of Nevada (collectively, the "Other Regions"). In addition to the foregoing, the Company's shareholders may be subject to the same or similar restrictions as in the State of Nevada under the statutes of the Other Regions or the regulations of the gaming authorities of such Other Regions.

Please visit below website for more information of products and services of SEGA SAMMY.
<https://www.segasammy.co.jp/en/corp/group/>
(SEGA SAMMY Group Website List)

*Company / product names, etc.. in this document are trademarks or registered trademarks of the respective companies

[Disclaimer]

Market forecasts, performance outlooks, plans, strategies, and other forward-looking statements contained in this document are based on information available to the Company and the judgment of its management at the time of preparation and do not guarantee future performance. Please be aware that these statements involve uncertainties and risks, including but not limited to economic conditions, industry trends, competitive conditions, exchange rates, interest rates, raw material prices, changes or abolition of laws and regulations, major natural disasters, infectious disease outbreaks, conflicts, and cybersecurity risks. Actual future results may differ significantly due to various factors. The Company assumes no obligation to update or revise this document.

Furthermore, information contained herein pertaining to parties other than the Company is sourced from publicly available information, but the Company does not guarantee its accuracy or completeness.

This document is not intended to solicit or recommend any investment. Investment decisions must be made based on your own responsibility and judgment.

The Company and its information providers shall not be liable for any damages incurred by users of this material.

Please refrain from reproducing, reprinting, or modifying the contents of this document for any purpose. When quoting all or part of this document, please clearly indicate the source or provide a link to this document.

[Important Notice to Investors and Shareholders Regarding Gaming Laws and Regulations]

As a publicly traded company, we are registered with the Nevada Gaming Commission and are certified as qualified to directly or indirectly hold shares in our subsidiaries operating in the State of Nevada, USA: Sega Sammy Creation Co., Ltd. and its wholly-owned subsidiaries Sega Sammy Creation, USA Inc., GAN (UK) Limited, and GAN Nevada, Inc. (collectively referred to as the "Operating Subsidiaries"). The Operating Subsidiaries hold licenses in Nevada as manufacturers/sellers of gaming equipment and as information service providers. Under Nevada state regulations, our shareholders are also subject to rules established by the Nevada Gaming Authority. For details on these regulations, please refer to:

<https://www.segasammy.co.jp/ja/ir/stock/regulation/>

Furthermore, the Operating Subsidiary holds licenses in multiple countries, states, and regions outside Nevada (collectively, the "Other Jurisdictions") as a supplier, vendor, data provider, and manufacturer/seller of gaming equipment. Our shareholders may be subject to regulations in the Other Jurisdictions that are similar or comparable to those in Nevada, based on the laws and regulations of those jurisdictions and the rules established by their respective gaming authorities.