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Securities Code: 6460

June 3, 2026

(Start date for electronic provision measures: June 1, 2026)

Dear Shareholders:

Haruki Satomi
President, Representative Director
SEGA SAMMY HOLDINGS INC.
Sumitomo Fudosan Osaki Garden Tower,
1-1-1 Nishi-Shinagawa, Shinagawa-ku,
Tokyo, Japan

Notice of the 22nd Ordinary General Meeting of Shareholders to be held on June 24, 2026

We inform you that the 22nd Ordinary General Meeting of Shareholders of SEGA SAMMY HOLDINGS INC. (the “Company”) will be held at the Head Office of SEGA SAMMY Group (LIGHTHOUSE Hall, 11F, GRAND HARBOR, Sumitomo Fudosan Osaki Garden Tower, 1-1-1 Nishi-Shinagawa, Shinagawa-ku, Tokyo, Japan) on Wednesday, June 24, 2026 at 10:00 a.m. for the purposes listed below.

Regarding the convocation of this General Meeting of Shareholders, measures for electronic provision have been taken for the Reference Documents for General Meeting of Shareholders, etc. (matters to be provided electronically), and the documents have been posted on the following websites on the Internet.

The Company’s website:

https://www.segasammy.co.jp/en/ir/stock/general_meeting/

The Tokyo Stock Exchange (TSE) website (TSE Listed Company Search):

<https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show>

Please access the TSE website above, enter and search for the issue name (company name) or securities code, and select “Basic information” and “Documents for public inspection/PR information” to confirm.

Net-de-Shoshu (online convocation):

<https://s.srdb.jp/6460/>

If you are unable to attend the meeting in person, you may exercise your voting rights via the Internet or by mail (in writing). Therefore, please review the Reference Documents for General Meeting of Shareholders listed in the matters to be provided electronically, and kindly exercise your voting rights before 6:00 p.m., Japan Standard Time, on Tuesday, June 23, 2026.

Details of the Meeting

- 1. Date and time:** Wednesday, June 24, 2026 at 10:00 a.m. (Reception commences at 9:00 a.m.)
- 2. Venue:** LIGHTHOUSE Hall, 11F, GRAND HARBOR,
Head Office of SEGA SAMMY Group
Sumitomo Fudosan Osaki Garden Tower,
1-1-1 Nishi-Shinagawa, Shinagawa-ku, Tokyo, 141-0033, Japan
- 3. Agenda:**
- Matters to be reported:**
1. The Business Report and the Consolidated Financial Statements for the 22nd fiscal year (from April 1, 2025 to March 31, 2026) and results of audits by the Accounting Auditor and the Audit and Supervisory Committee on the Consolidated Financial Statements
 2. Non-Consolidated Financial Statements for the 22nd fiscal year (from April 1, 2025 to March 31, 2026)
- Matter to be resolved:**
- Proposal 1:** To elect nine (9) Directors (excluding Directors serving as Audit and Supervisory Committee Members)
- Proposal 2:** To elect four (4) Directors serving as Audit and Supervisory Committee Members
- Proposal 3:** To elect one (1) Substitute Director serving as Audit and Supervisory Committee Member

* If you attend the meeting in person, please submit the enclosed voting form at the reception desk at the meeting location on the day of the meeting.

* Please note that persons other than shareholders of the Company such as a proxy and an accompanying person cannot attend the meeting.

* If you do not indicate approval or disapproval of the proposal on the voting form, it will be treated as an indication of approval.

* If you exercise your voting rights both via the Internet and in writing, we will treat the voting rights exercised via the Internet as valid. If you exercise your voting rights multiple times via the Internet, we will treat the last vote made as valid.

* Pursuant to the provisions of laws and regulations and Article 16 of the Company's Articles of Incorporation, the following matters are not included in the documents sent to shareholders who have requested delivery of documents. Accordingly, these documents are part of the documents audited by the Audit and Supervisory Committee and the Accounting Auditor when preparing the audit report.

- Business Report: Company stock options, etc., Accounting auditor, Overview of structures for ensuring the propriety of business operations and the state of their operation
- Consolidated Financial Statements: Consolidated statement of changes in shareholders' equity, Notes on the consolidated financial statements
- Non-Consolidated Financial Statements: Non-consolidated statement of changes in shareholders' equity, Notes on the non-consolidated financial statements

* Should any change need to be made to the matters to be provided electronically, the notice and the matters before and after revision shall be posted on each website listed above.

* For voting results, an extraordinary report shall be posted on the website of the Company in place of the Notice of Resolutions. Information in English will be posted on our English website.

(https://www.segasammy.co.jp/en/ir/stock/general_meeting/)

Information on Exercise of Voting Rights

We recognize that the shareholders' voting right to be exercised in the General Meeting of Shareholders is an important right for our shareholders.

Please review the Reference Documents for General Meeting of Shareholders listed in the matters to be provided electronically, and we respectfully request that you exercise your voting rights.

The following three methods are available for exercising your voting rights.

Attending the meeting in person

Exercise of your voting rights on-site at the meeting

Please submit the enclosed voting form at the reception desk of the venue.

Date and time of the meeting: Wednesday, June 24, 2026 at 10:00 a.m.

Not attending the meeting in person

Exercise of your voting rights via the Internet

Please enter "for" or "against" each proposal following the instructions listed in the matters to be provided electronically.

Deadline for Exercise of Voting Rights: Tuesday, June 23, 2026 by 6:00 p.m.

Exercise of your voting rights in writing

Please indicate "for" or "against" each proposal on the enclosed voting form and return it by mail to the Company.

Deadline: Tuesday, June 23, 2026 by 6:00 p.m. (time of receipt)

Guidelines on filling out the voting form

Please indicate "for" or "against" for each of the proposals on the voting form.

Proposal 1 and Proposal 2

- To approve all nominees, circle "賛" mark.
- To disapprove all nominees, circle "否" mark.
- To disapprove part of nominees, circle "賛" mark and enter the number of nominees whom you are against.

Proposal 3:

- To approve, circle "賛" mark.
- To disapprove, circle "否" mark.

Information on Exercise of Voting Rights via the Internet, etc.

Please read the following when you exercise your voting rights via the Internet.

Deadline for Exercise of Voting Rights: Tuesday, June 23, 2026 by 6:00 p.m.

* Please exercise your voting rights as soon as possible.

How to vote by scanning the QR code
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Scan the “QR code for login” and you can log on to the voting website without entering the “voting rights exercise code” and “temporary password.”

1. Scan the QR code.

Use your smartphone and scan the “QR code for login” printed on the right-hand side of the enclosed voting form slip.

* QR Code is a registered trademark of DENSO WAVE INCORPORATED.

2. Select the option of exercise of voting rights.

The screen displays available options for exercise of voting rights. Select your preferred option for exercise of voting rights.

3. Select “for” or “against” each proposal.

Follow the on-screen instructions and select “賛成 (for)” or “反対 (against)” each proposal.

Follow the on-screen instructions to complete your exercise of voting rights.

■ Electronic proxy voting platform for institutional investors

Institutional investors can use the electronic proxy voting platform that is operated by Investor Communications Japan, Inc., which is designed for institutional investors to exercise their voting rights electronically.

FAQs for exercise of voting rights

Q: If the voting rights are exercised both via the Internet and in writing, which one is valid?

A: The Internet vote will be deemed as valid.

Q: If voting rights are exercised more than once via the Internet, are all of the votes valid?

A: If voting rights are exercised more than once, the last vote will be deemed as valid.

How to vote by entering the “voting rights exercise code” and “temporary password”

1. Access the voting website.

Voting website

<https://evote.tr.mufg.jp/>

Click “次の画面へ (Proceed).”

2. Enter the “voting rights exercise code” and “temporary password” printed on the right-hand side of the enclosed voting form slip.

Click “ログイン (Login).”

3. Select “for” or “against” each proposal.

Follow the on-screen instructions and select “賛成 (for)” or “反対 (against)” each proposal.

Follow the on-screen instructions to complete your exercise of voting rights.

Notes on use

Handling of the voting website

You can exercise your voting rights via the Internet by accessing the voting website (<https://evote.tr.mufg.jp/>) using your personal computer or smartphone (except from 2:30 a.m. to 4:30 a.m.).

About Internet access

1. You may be unable to use the voting website depending on your Internet configuration, your subscription service, or the device you use.
2. Please note that any costs incurred in using the designated voting website, such as Internet connection fees and communication charges, shall be borne by the shareholder.

For inquiries concerning operating procedures for the voting website:

Securities Agency Division, Mitsubishi UFJ Trust and Banking Corporation

Toll-free line: 0120-173-027 (Domestic [Japan] call only)

Hours: 9:00 a.m. - 9:00 p.m.

Information on Live Stream via the Internet and Acceptance of Questions in Advance

The General Meeting of Shareholders will be streamed live on a website exclusively for shareholders so that you may watch it at home, etc.

In addition, we accept questions from shareholders in advance regarding the agenda for the General Meeting of Shareholders on the website exclusively for shareholders.

1. Engagement Portal site

<https://engagement-portal.tr.mufg.jp/>

* Engagement Portal is a website exclusively for shareholders operated by Mitsubishi UFJ Trust and Banking Corporation.

2. Date and time of live stream

Wednesday, June 24, 2026 at 10:00 a.m.

You may not participate in resolutions on the day of the General Meeting of Shareholders.

Please exercise your voting rights in advance via the Internet or by mail (in writing).

3. Period for acceptance of questions in advance

From the arrival of the Notice of Convocation until Wednesday, June 17, 2026 at 6:00 p.m.

We plan to answer questions of particular interest to all shareholders on the day of the General Meeting of Shareholders.

* Please note that we are unable to provide individual responses to questions received in advance.

Please refer to the enclosed leaflet for how to log in to the Engagement Portal, how to watch the live stream, how to ask questions in advance, and to view notes.

Information for Shareholders Attending the General Meeting of Shareholders

In consideration of the privacy of shareholders, etc., the meeting will be filmed from the back of the venue during the live stream on the day of the event. However, please be forewarned that shareholders attending the meeting may unavoidably appear in the video.

Reference Documents for General Meeting of Shareholders

Proposal and reference information

Proposal 1: To elect nine (9) Directors (excluding Directors serving as Audit and Supervisory Committee Members)

The terms of office of all nine (9) Directors (excluding Directors serving as Audit and Supervisory Committee Members) will expire at the conclusion of this Ordinary General Meeting of Shareholders. Therefore, we are seeking to elect nine (9) Directors (excluding Directors serving as Audit and Supervisory Committee Members).

As a result of deliberations by the Audit and Supervisory Committee, we have received the opinion that there are no particular opinions regarding this proposal.

The nominees for Directors (excluding Directors serving as Audit and Supervisory Committee Members) are as described below.

Nominee No.	Name	Gender	Age	No. of Years Served as Director	Position and Responsibilities at the Company	No. of Concurrent Positions at Other Listed Companies	Attendance at Board of Directors' meetings
1	Hajime Satomi [Reappointment]	Male	84	21 years	Chairman Founder, Director of the Board	0	11/13 (85%)
2	Haruki Satomi [Reappointment]	Male	47	14 years	President and Group CEO, Representative Director in charge of Public Relations Office	0	13/13 (100%)
3	Koichi Fukazawa [Reappointment]	Male	60	11 years	Executive Managing Director, Director of the Board	0	13/13 (100%)
4	Shuji Utsumi [Reappointment]	Male	65	2 years	Director of the Board	0	12/13 (92%)
5	Ayumu Hoshino [Reappointment]	Male	56	2 years	Director of the Board	0	13/13 (100%)
6	Kohei Katsukawa [Reappointment] External Director Independent Director	Male	75	10 years	Director of the Board	0	13/13 (100%)
7	Fujiyo Ishiguro [Reappointment] External Director Independent Director	Female	68	5 years	Director of the Board	1	13/13 (100%)
8	Ankur Sahu [Reappointment] External Director Independent Director	Male	56	2 years	Director of the Board	0	10/13 (77%)
9	Rie Yano [Newly appointed] External Director Independent Director	Female	44	–	–	0	–

Note: The age and the number of years served as Director of each nominee are as of the conclusion of this meeting.

Nominee No.	Name (Date of Birth)	Brief Career Profile, Position and Responsibilities at the Company
1	<p>[Reappointment]</p> <p>Hajime Satomi (January 16, 1942) Age 84 Gender: Male</p> <p>Number of the Company's shares owned: 4,178,638 shares</p> <p>No. of years served as Director: 21 years</p> <p>Attendance at Board of Directors' meetings: 85% (11/13)</p>	<p>Mar. 1980 President, Representative Director of Sammy Industry Co., Ltd. (now Sammy Corporation)</p> <p>Feb. 2004 Chairman of the Board, Representative Director of SEGA CORPORATION</p> <p>Jun. 2004 Chairman and CEO, Representative Director of Sammy Corporation</p> <p>Jun. 2004 Chairman and CEO, Representative Director of SEGA CORPORATION</p> <p>Oct. 2004 Chairman, President and CEO, Representative Director of the Company</p> <p>Jun. 2007 President, CEO and COO, Representative Director of SEGA CORPORATION</p> <p>May 2008 Chairman and CEO, Representative Director of the above</p> <p>Apr. 2012 Chairman of the Board of Sammy Corporation</p> <p>May 2013 Chairman and CEO, Representative Director of the above</p> <p>Jun. 2015 Advisor to NDK (current position)</p> <p>Jun. 2016 Chairman, President, CEO and COO, Representative Director of the Company</p> <p>Apr. 2017 Chairman and CEO, Representative Director of the Company</p> <p>Apr. 2017 Chairman of the Board, Representative Director of Sammy Corporation</p> <p>Apr. 2017 Honorary Chairman of the Board of SEGA Holdings Co., Ltd. (now SEGA CORPORATION) (current position)</p> <p>Apr. 2018 Chairman and Group CEO, Representative Director of the Company</p> <p>Apr. 2021 Chairman, Representative Director of the Company</p> <p>Apr. 2022 Chief Advisor of PHOENIX RESORT CO., LTD. (current position)</p> <p>Jun. 2022 Honorary Advisor of Japan Amusement Industry Association (current position)</p> <p>Apr. 2024 Honorary Chairman of the Board of Sammy Corporation (current position)</p> <p>Apr. 2026 Chairman Founder, Director of the Board of the Company (current position)</p>
<p>[Important concurrent duties outside the Company (No. of concurrent positions at other listed companies: 0)] Honorary Chairman of the Board of Sammy Corporation; Honorary Chairman of the Board of SEGA CORPORATION</p>		
<p>[Reason for nomination as candidate for Director] Mr. Hajime Satomi has served as a corporate manager of the Company and Group companies, demonstrated leadership over many years and contributed to the development of the Group. We seek the reappointment of Mr. Hajime Satomi as Director as we expect he will continue to benefit the decision making of the Company's Board of Directors with such wealth of experience, career record and hard-earned insight, and contribute to improving the corporate value of the Company.</p> <p>Notes: 1. The Company conducts transactions relating to intermediary services for insurance, etc. with FSC LLC, of which Mr. Hajime Satomi and Mr. Haruki Satomi both serve as managing directors. 2. The Company has concluded a directors and officers liability insurance contract with an insurance company with all of its Directors as insured persons. The Company has assumed the costs of insurance premiums in full for all of the insured parties with respect to the insurance policy, which covers statutory compensation for damages, litigation expenses and other such outlays that an insured party may incur. All candidates will be insured under the insurance contract, which is to be renewed during their terms of office.</p>		

Nominee No.	Name (Date of Birth)	Brief Career Profile, Position and Responsibilities at the Company
2	<p>[Reappointment]</p> <p>Haruki Satomi (January 11, 1979) Age 47 Gender: Male</p> <p>Number of the Company's shares owned: 3,921,261 shares</p> <p>No. of years served as Director: 14 years</p> <p>Attendance at Board of Directors' meetings: 100% (13/13)</p>	<p>Mar. 2004 Joined Sammy Corporation</p> <p>Jan. 2005 Joined SEGA CORPORATION</p> <p>Jun. 2012 Senior Vice President, Director of the Board of the Company</p> <p>Jun. 2012 Senior Vice President, Director of the Board of SEGA CORPORATION</p> <p>Apr. 2014 Senior Vice President, Director of the Board of Sammy Corporation</p> <p>Nov. 2014 Deputy COO, Representative Director of SEGA CORPORATION</p> <p>Nov. 2015 Deputy COO, Representative Director of Sammy Corporation</p> <p>Apr. 2016 President and COO, Representative Director of the above</p> <p>Jun. 2016 Executive Vice President, Director of the Board of the Company</p> <p>Apr. 2017 President and COO, Representative Director of the Company</p> <p>Apr. 2017 President and CEO, Representative Director of Sammy Corporation</p> <p>Apr. 2017 Chairman and CEO, Representative Director of SEGA Games Co., Ltd. (now SEGA CORPORATION) (current position)</p> <p>Apr. 2018 President and Group COO, Representative Director of the Company</p> <p>Apr. 2021 President and Group CEO, Representative Director of the Company (current position)</p> <p>Apr. 2021 Officer of KEIZAI DOYUKAI (Japan Association of Corporate Executives) (current position)</p> <p>Sep. 2022 Chairman of the Board of Sunrockers, Ltd. (current position)</p> <p>Jun. 2023 Vice Chairman of NDK (current position)</p> <p>Apr. 2024 Chairman and CEO, Representative Director of Sammy Corporation (current position)</p> <p>Apr. 2024 Senior Vice President, Director of the Board of TMS ENTERTAINMENT CO., LTD. (current position)</p>
<p>[Important concurrent duties outside the Company (No. of concurrent positions at other listed companies: 0)] Chairman and CEO, Representative Director of Sammy Corporation; Chairman and CEO, Representative Director of SEGA CORPORATION</p>		
<p>[Reason for nomination as candidate for Director]</p> <p>Mr. Haruki Satomi has served as a corporate manager of the Company and Group companies and contributed to the improvement of corporate earnings. He currently serves as President, Representative Director of the Company and demonstrates leadership as a Chief Executive Officer of the Group.</p> <p>We seek the reappointment of Mr. Haruki Satomi as Director as we expect he will continue to benefit the decision making of the Company's Board of Directors with such experience, career record and leadership, and contribute to improving the corporate value of the Company.</p> <p>Notes: 1. The Company conducts transactions relating to intermediary services for insurance, etc. with FSC LLC, of which Mr. Hajime Satomi and Mr. Haruki Satomi both serve as managing directors.</p> <p>2. The Company has concluded a directors and officers liability insurance contract with an insurance company with all of its Directors as insured persons. The Company has assumed the costs of insurance premiums in full for all of the insured parties with respect to the insurance policy, which covers statutory compensation for damages, litigation expenses and other such outlays that an insured party may incur. All candidates will be insured under the insurance contract, which is to be renewed during their terms of office.</p>		

Nominee No.	Name (Date of Birth)	Brief Career Profile, Position and Responsibilities at the Company
3	<p>[Reappointment]</p> <p>Koichi Fukazawa (November 2, 1965) Age 60 Gender: Male</p> <p>Number of the Company's shares owned: 57,200 shares</p> <p>No. of years served as Director: 11 years</p> <p>Attendance at Board of Directors' meetings: 100% (13/13)</p>	<p>Apr. 1990 Joined The Sanwa Bank, Limited (now MUFG Bank, Ltd.)</p> <p>Jul. 2003 Joined Sammy Corporation</p> <p>Aug. 2003 Vice President, Executive Officer and Managing Director of President's Office of the above</p> <p>Oct. 2004 Vice President, Executive Officer and Managing Director of President's Office of the Company</p> <p>Oct. 2004 Vice President, Executive Officer and Managing Director of Chairman's Office and President's Office of SEGA CORPORATION</p> <p>Jun. 2005 Senior Vice President, Director of the Board and Managing Director of Chairman's Office and President's Office of the above</p> <p>Jan. 2007 President, Representative Director of SEGA SAMMY ASSET MANAGEMENT INC. (now MARZA ANIMATION PLANET INC.)</p> <p>Aug. 2007 Senior Vice President, Executive Officer and in charge of the Corporate Strategy and External Affairs of the Company</p> <p>May 2008 Senior Vice President, Director of the Board and Managing Director of New Business Division of SEGA CORPORATION</p> <p>Apr. 2009 Officer of KEIZAI DOYUKAI (Japan Association of Corporate Executives) (current position)</p> <p>Jun. 2009 President, Representative Director of SEGASAMMY VISUAL ENTERTAINMENT INC. (now MARZA ANIMATION PLANET INC.)</p> <p>Apr. 2014 Senior Executive Vice President, Representative Director of SEGA TOYS CO., LTD. (now SEGA FAVE CORPORATION)</p> <p>Jun. 2015 Senior Vice President, Director of the Board of the Company</p> <p>Jun. 2016 Executive Vice President and CFO, Director of the Board of the Company</p> <p>Apr. 2018 Executive Vice President and Group CFO, Director of the Board of the Company</p> <p>Jun. 2020 Senior Executive Vice President and Group CFO, Director of the Board of the Company</p> <p>Apr. 2021 Director of the Board of Sammy Corporation</p> <p>Dec. 2022 Chairman of the Board of SEGA SAMMY CREATION INC.</p> <p>Apr. 2024 Director of the Board of SEGA CORPORATION</p> <p>Jun. 2025 Chairman and CEO, Representative Director of SEGA SAMMY CREATION INC.</p> <p>Apr. 2026 Executive Managing Director, Director of the Board of the Company (current position)</p> <p>Apr. 2026 Chairman and Global CEO, Representative Director of SEGA SAMMY CREATION INC.</p> <p>May 2026 Chairman, Global CEO and Global CFO, Representative Director of the above (current position)</p>
<p>[Important concurrent duties outside the Company (No. of concurrent positions at other listed companies: 0)] Chairman, Global CEO and Global CFO, Representative Director of SEGA SAMMY CREATION INC.</p>		
<p>[Reason for nomination as candidate for Director]</p> <p>Mr. Koichi Fukazawa has served as a corporate manager of the Company and Group companies in various fields including corporate planning, administration and new businesses. He is currently promoting the gaming business.</p> <p>We seek the reappointment of Mr. Koichi Fukazawa as Director as we expect he will continue to benefit the decision making of the Company's Board of Directors with such wealth of experience and career record, and contribute to improving the corporate value of the Company.</p> <p>Notes: 1. There is no special interest between the Company and Mr. Koichi Fukazawa.</p> <p>2. The Company has concluded a directors and officers liability insurance contract with an insurance company with all of its Directors as insured persons. The Company has assumed the costs of insurance premiums in full for all of the insured parties with respect to the insurance policy, which covers statutory compensation for damages, litigation expenses and other such outlays that an insured party may incur. All candidates will be insured under the insurance contract, which is to be renewed during their terms of office.</p>		

Nominee No.	Name (Date of Birth)	Brief Career Profile, Position and Responsibilities at the Company
4	<p>[Reappointment]</p> <p>Shuji Utsumi (April 19, 1961) Age 65 Gender: Male</p> <p>Number of the Company's shares owned: 19,000 shares</p> <p>No. of years served as Director: 2 years</p> <p>Attendance at Board of Directors' meetings: 92% (12/13)</p>	<p>Apr. 1986 Joined Sony Corporation (now Sony Group Corporation)</p> <p>Oct. 1994 Vice President of Sony Computer Entertainment America Inc.</p> <p>Oct. 1996 Senior Vice President, Director of the Board of Sega of America, Inc.</p> <p>Oct. 2000 Head of Asia Pacific of Disney Interactive Asia</p> <p>Oct. 2014 President, Representative Director of Warner Music Japan Inc.</p> <p>Jul. 2016 President, Representative Director of CYBIRD Co., Ltd.</p> <p>May 2019 Senior Vice President, Executive Officer of the Company</p> <p>May 2019 Senior Vice President, Executive Officer of SEGA Holdings Co., Ltd. (now SEGA CORPORATION)</p> <p>Apr. 2020 CSO (Chief Strategy Officer), Director of the Board of SEGA CORPORATION</p> <p>Apr. 2021 Co-COO, Director of the Board of the above</p> <p>Apr. 2021 CEO of Sega of America, Inc. (current position)</p> <p>Apr. 2022 Chairman of the Board of Sega Sapporo Studio Co., Ltd.</p> <p>Apr. 2023 Co-COO, Representative Director of SEGA CORPORATION</p> <p>Sep. 2023 Chair of the Board of Directors of Rovio Entertainment Oyj (current position)</p> <p>Jan. 2024 CEO of Sega Europe Ltd. (current position)</p> <p>Apr. 2024 President and COO, Representative Director of SEGA CORPORATION (current position)</p> <p>Apr. 2024 Senior Vice President, Director of the Board of TMS ENTERTAINMENT CO., LTD. (current position)</p> <p>Apr. 2024 Senior Vice President, Director of the Board of SEGA FAVE CORPORATION (current position)</p> <p>Apr. 2024 Chairman of the Board of ATLUS CO., LTD. (current position)</p> <p>Jun. 2024 Director of the Board of the Company (current position)</p> <p>Apr. 2025 Chairman of the Board of MARZA ANIMATION PLANET INC. (current position)</p> <p>Apr. 2026 Chairman of the Board, SEGA MUSIC Inc. (current position)</p>
<p>[Important concurrent duties outside the Company (No. of concurrent positions at other listed companies: 0)] President and COO, Representative Director of SEGA CORPORATION</p>		
<p>[Reason for nomination as candidate for Director]</p> <p>Mr. Shuji Utsumi has served as a corporate manager for entertainment companies operating globally and is currently the President and COO, Representative Director of SEGA CORPORATION. He leads the business growth of the SEGA Group on a global stage, and has extensive knowledge and a wealth of experience in the Company's core business.</p> <p>We seek the reappointment of Mr. Shuji Utsumi as Director as we expect he will continue to benefit the decision making of the Company's Board of Directors with such wealth of experience and career record, and contribute to improving the corporate value of the Company.</p> <p>Notes: 1. There is no special interest between the Company and Mr. Shuji Utsumi. 2. The Company has concluded a directors and officers liability insurance contract with an insurance company with all of its Directors as insured persons. The Company has assumed the costs of insurance premiums in full for all of the insured parties with respect to the insurance policy, which covers statutory compensation for damages, litigation expenses and other such outlays that an insured party may incur. All candidates will be insured under the insurance contract, which is to be renewed during their terms of office.</p>		

Nominee No.	Name (Date of Birth)	Brief Career Profile, Position and Responsibilities at the Company
5	<p>[Reappointment]</p> <p>Ayumu Hoshino (July 5, 1969) Age 56 Gender: Male</p> <p>Number of the Company's shares owned: 10,500 shares</p> <p>No. of years served as Director: 2 years</p> <p>Attendance at Board of Directors' meetings: 100% (13/13)</p>	<p>Apr. 1995 Joined Sammy Corporation</p> <p>Oct. 2006 Vice President, Creative Officer of the above</p> <p>Aug. 2011 Senior Vice President, Director of the Board of RODEO Co., Ltd.</p> <p>Apr. 2014 Senior Vice President, Executive Officer and Managing Director of Research & Development Division of Sammy Corporation</p> <p>Jun. 2014 Senior Vice President, Director of the Board and Managing Director of Research & Development Division of the above</p> <p>Apr. 2016 Executive Vice President, Representative Director and Managing Director of Research & Development Group Division, Technical Research & Development Division and Development Promotion Division of the above</p> <p>Nov. 2019 President and CEO of ZEEG Co., Ltd. (now ZEEG LLC.)</p> <p>Apr. 2020 Senior Vice President, Director of the Board of SEGA SAMMY CREATION INC.</p> <p>Jun. 2021 Vice Chairman of The Nikkoso Research Foundation for Safe Society (current position)</p> <p>Apr. 2022 Senior Executive Vice President and COO, Representative Director and in charge of Research & Development Group Division and Managing Director of Public Relations Division of Sammy Corporation</p> <p>Apr. 2024 President and COO, Representative Director and Managing Director of Public Relations Division of the above</p> <p>Apr. 2024 CEO of ZEEG LLC. (current position)</p> <p>Jun. 2024 Director of the Board of the Company (current position)</p> <p>Apr. 2025 Chairman of the Board of Sammy Networks Co., Ltd. (current position)</p> <p>Apr. 2025 President and COO, Representative Director in charge of Public Relations Division and Licensing Division of Sammy Corporation</p> <p>Apr. 2026 President and COO, Representative Director in charge of Public Relations Division and Media & Licensing Division of the above (current position)</p>
<p>[Important concurrent duties outside the Company (No. of concurrent positions at other listed companies: 0)] President and COO, Representative Director of Sammy Corporation</p>		
<p>[Reason for nomination as candidate for Director]</p> <p>Mr. Ayumu Hoshino has long led the pachinko/pachislot machine business at the forefront of development and is currently the President and COO, Representative Director of Sammy Corporation. He has been also appointed Councilor of The Nikkoso Research Foundation for Safe Society, and has extensive knowledge and a wealth of experience in the Company's core business. We seek the reappointment of Mr. Ayumu Hoshino as Director as we expect he will continue to benefit the decision making of the Company's Board of Directors with such wealth of experience and career record, and contribute to improving the corporate value of the Company.</p> <p>Notes: 1. There is no special interest between the Company and Mr. Ayumu Hoshino. 2. The Company has concluded a directors and officers liability insurance contract with an insurance company with all of its Directors as insured persons. The Company has assumed the costs of insurance premiums in full for all of the insured parties with respect to the insurance policy, which covers statutory compensation for damages, litigation expenses and other such outlays that an insured party may incur. All candidates will be insured under the insurance contract, which is to be renewed during their terms of office.</p>		

Nominee No.	Name (Date of Birth)	Brief Career Profile, Position and Responsibilities at the Company		
6	[Reappointment] [Nominee for External Director] [Independent Director] Kohei Katsukawa (January 8, 1951) Age 75 Gender: Male Number of the Company's shares owned: 0 No. of years served as Director: 10 years Attendance at Board of Directors' meetings: 100% (13/13)	Apr.	1974	Joined Sumitomo Bank (now Sumitomo Mitsui Banking Corporation)
		Apr.	2001	Executive Officer, Head of Osaka Corporate Banking Division II of Sumitomo Mitsui Banking Corporation
		Apr.	2005	Managing Executive Officer, Deputy Head of Wholesale Banking Unit (in charge of East Japan) of the above
		Jun.	2007	Executive Vice President and Representative Director of NIF SMBC Ventures Co., Ltd. (now SMBC Venture Capital Co., Ltd.)
		Jul.	2010	President and Representative Director of SMBC Venture Capital Co., Ltd.
		Apr.	2014	President and Representative Director of GINSEN Co., Ltd.
		Dec.	2014	Outside Director of Kyoto University Innovation Capital Co., Ltd.
		Jun.	2016	Director of the Board (External) of the Company (current position)
		Jun.	2016	Outside Director of ELECOM CO., LTD.
		Jan.	2021	Advisor of GINSEN Co., Ltd. (current position)
		Jun.	2022	Outside Director of DX Antenna Co., Ltd.
		Jun.	2022	Outside Director of HAGIWARA Solutions Co., Ltd.
		Jun.	2022	Outside Director of Logitec INA Solutions Co., Ltd.
		Jul.	2023	Outside Director of Tescom Denki Co., Ltd.
Jun.	2024	Advisor of Kyoto University Innovation Capital Co., Ltd. (current position)		
Jul.	2024	Advisor of ELECOM CO., LTD. (current position)		
[Important concurrent duties outside the Company (No. of concurrent positions at other listed companies: 0)] None				
[Reason for nomination as candidate for External Director and outline of expected roles] Mr. Kohei Katsukawa has appropriately fulfilled the roles of an External Director to determine important management matters and oversee the execution of business from a fair standpoint. We seek the reappointment of Mr. Kohei Katsukawa as External Director as we expect that he will continue to provide valuable opinions and suggestions on the management of the Company based on his wealth of experience and broad-ranging insight gained over many years as a corporate manager.				
Notes: 1. There is no special interest between the Company and Mr. Kohei Katsukawa. 2. Mr. Kohei Katsukawa is an External Director-nominee, and the Company has notified the Tokyo Stock Exchange (TSE) of his inauguration as Independent Director under the regulations of TSE. The Independence Criteria for Independent Directors of the Company is listed in page 27. 3. Mr. Kohei Katsukawa served at Sumitomo Mitsui Banking Corporation, one of the Company's key business partners, until April 2007. As more than 19 years have passed since his resignation, the Company has concluded that this does not affect his independence. 4. The Company has concluded a liability agreement with Mr. Kohei Katsukawa that limits his liability to the minimum liability amount stipulated in laws and regulations. If the reelection of Mr. Kohei Katsukawa is approved, the Company plans to continue the said limited liability agreement. 5. The Company has concluded a directors and officers liability insurance contract with an insurance company with all of its Directors as insured persons. The Company has assumed the costs of insurance premiums in full for all of the insured parties with respect to the insurance policy, which covers statutory compensation for damages, litigation expenses and other such outlays that an insured party may incur. All candidates will be insured under the insurance contract, which is to be renewed during their terms of office.				

Nominee No.	Name (Date of Birth)	Brief Career Profile, Position and Responsibilities at the Company	
7	[Reappointment] [Nominee for External Director] [Independent Director]	Jan. 1981	Joined BROTHER INDUSTRIES, LTD.
		Jan. 1988	Joined Swarovski Japan Ltd.
		Sep. 1994	President of Alphametrix, Inc.
		Jan. 1999	Director of Netyear Group, Inc.
		Jul. 1999	Director of Netyear Group Corporation
	Fujiyo Ishiguro (February 1, 1958) Age 68 Gender: Female	May 2000	President & CEO of the above
		Jun. 2013	Outside Audit & Supervisory Board Member of Sompo Japan Insurance Inc.
		Mar. 2014	Outside Director of Hotto Link Inc.
		Jun. 2014	Outside Director of Monex Group, Inc.
	Number of the Company's shares owned: 0	Jun. 2015	Outside Director of Sompo Japan Nipponkoa Insurance Inc. (now Sompo Japan Insurance Inc.)
		May 2021	Outside Director of WingArc1st Inc.
	No. of years served as Director: 5 years	Jun. 2021	Director of Netyear Group Corporation
		Jun. 2021	Director of the Board (External) of the Company (current position)
Attendance at Board of Directors' meetings: 100% (13/13)	Jun. 2023	External Director of MITSUI & CO., LTD. (current position)	
[Important concurrent duties outside the Company (No. of concurrent positions at other listed companies: 1)] External Director of MITSUI & CO., LTD.			
<p>[Reason for nomination as candidate for External Director and outline of expected roles] Ms. Fujiyo Ishiguro has appropriately fulfilled the roles of an External Director to determine important management matters and oversee the execution of business from a fair standpoint. We seek the reappointment of Ms. Fujiyo Ishiguro as External Director as we expect she will continue to provide valuable opinions and suggestions on the management of the Company based on her wealth of knowledge in corporate management and the IT/DX fields as a founder of Netyear Group Corporation and experience as an Outside Director of other listed companies.</p> <p>Notes: 1. There is no special interest between the Company and Ms. Fujiyo Ishiguro. 2. Ms. Fujiyo Ishiguro is an External Director-nominee, and the Company has notified the Tokyo Stock Exchange (TSE) of her inauguration as Independent Director under the regulations of TSE. The Independence Criteria for Independent Directors of the Company is listed in page 27. 3. The Company has concluded a liability agreement with Ms. Fujiyo Ishiguro that limits her liability to the minimum liability amount stipulated in laws and regulations. If the reelection of Ms. Fujiyo Ishiguro is approved, the Company plans to continue the said limited liability agreement. 4. The Company has concluded a directors and officers liability insurance contract with an insurance company with all of its Directors as insured persons. The Company has assumed the costs of insurance premiums in full for all of the insured parties with respect to the insurance policy, which covers statutory compensation for damages, litigation expenses and other such outlays that an insured party may incur. All candidates will be insured under the insurance contract, which is to be renewed during their terms of office. 5. One of her relatives within the third degree of kinship is an employee of Sega of America, Inc., a specified related business entity of the Company. 6. At Sompo Japan Insurance Inc., where Ms. Fujiyo Ishiguro served as an outside director until June 2022, during her term of office, there were cases involving inappropriate conduct in light of the purpose of the Antimonopoly Act, the said company's inappropriate handling of fraudulent automobile insurance claims made by a used car sales company, and leakage of customer information and other issues arising from improper management of insurance contract information and other data. Ms. Fujiyo Ishiguro was not aware of this fact at the time when she was in office as an outside director, but she had been giving advice from the viewpoint of compliance with laws and regulations on a regular basis and provided the company with a head-up about its compliance with laws and regulations.</p>			

Nominee No.	Name (Date of Birth)	Brief Career Profile, Position and Responsibilities at the Company	
8	<p>[Reappointment] [Nominee for External Director] [Independent Director]</p> <p style="text-align: center;">Ankur Sahu (October 18, 1969) Age 56 Gender: Male</p> <p style="text-align: center;">Number of the Company's shares owned: 0</p> <p style="text-align: center;">No. of years served as Director: 2 years</p> <p style="text-align: center;">Attendance at Board of Directors' meetings: 77% (10/13)</p>	<p>Oct. 1998</p> <p>Aug. 2005</p> <p>Mar. 2006</p> <p>Mar. 2011</p> <p>Aug. 2012</p> <p>Aug. 2019</p> <p>Mar. 2023</p> <p>Dec. 2023</p> <p>Jun. 2024</p>	<p>Partner Managing Director, Co-head Asia Pacific, Merchant Banking Division of The Goldman Sachs Group, Inc.</p> <p>Outside Director of USJ Co., Ltd. (now USJ LLC)</p> <p>Outside Director of SANYO Electric Co., Ltd.</p> <p>Outside Director of eAccess Ltd. (now SoftBank Corp.)</p> <p>Outside Director of Japan Renewable Energy Corporation (now ENEOS Renewable Energy Corporation)</p> <p>Representative Director of Kyoto Pacific Capital Inc.</p> <p>Outside Corporate Auditor of airweave inc. (current position)</p> <p>Representative Director of Kyoto Pacific Capital Inc. (current position)</p> <p>Director of the Board (External) of the Company (current position)</p>
<p>[Important concurrent duties outside the Company (No. of concurrent positions at other listed companies: 0)] Representative Director of Kyoto Pacific Capital Inc.</p>			
<p>[Reason for nomination as candidate for External Director and outline of expected roles] Mr. Ankur Sahu has been involved in numerous corporate investments at Goldman Sachs and has been significantly contributing to the growth and revitalization of many companies. We seek the reappointment of Mr. Ankur Sahu as External Director as we expect that he will continue to provide useful opinions and suggestions for the Company's future global development and management based on his wealth of knowledge and experience in finance, coupled with his deep involvement in the operations of many international companies.</p> <p>Notes: 1. There is no special interest between the Company and Mr. Ankur Sahu. 2. Mr. Ankur Sahu is an External Director-nominee, and the Company has notified the Tokyo Stock Exchange (TSE) of his inauguration as Independent Director under the regulations of TSE. The Independence Criteria for Independent Directors of the Company is listed in page 27. 3. The Company has concluded a liability agreement with Mr. Ankur Sahu that limits his liability to the minimum liability amount stipulated in laws and regulations. If the reelection of Mr. Ankur Sahu is approved, the Company plans to continue the said limited liability agreement. 4. The Company has concluded a directors and officers liability insurance contract with an insurance company with all of its Directors as insured persons. The Company has assumed the costs of insurance premiums in full for all of the insured parties with respect to the insurance policy, which covers statutory compensation for damages, litigation expenses and other such outlays that an insured party may incur. All candidates will be insured under the insurance contract, which is to be renewed during their terms of office.</p>			

Nominee No.	Name (Date of Birth)	Brief Career Profile, Position and Responsibilities at the Company	
9	<p>[Newly appointed] [Nominee for External Director] [Independent Director]</p> <p>Rie Yano (November 18, 1981) Age 44 Gender: Female</p> <p>Number of the Company's shares owned: 0</p> <p>No. of years served as Director: —</p> <p>Attendance at Board of Directors' meetings: —</p>	<p>Apr. 2004</p> <p>Oct. 2005</p> <p>Apr. 2007</p> <p>Jul. 2009</p> <p>Jul. 2010</p> <p>May 2012</p> <p>Dec. 2021</p> <p>Jan. 2025</p> <p>Apr. 2025</p> <p>Nov. 2025</p>	<p>Joined Mitsubishi Corporation</p> <p>Assigned to Mitsubishi Corporation (Americas), New York</p> <p>Returned to Mitsubishi Corporation</p> <p>CEO of Street Canvas, Inc.</p> <p>Joined the New York headquarters of Coach, Inc. (now Tapestry, Inc.)</p> <p>CEO of Material Wrld, Inc.</p> <p>Joined mixi America, Inc.</p> <p>Managing Member of House Authentic LLC (current position)</p> <p>Venture Partner of Coral Capital, Inc.</p> <p>Partner of the above (current position)</p>
<p>[Important concurrent duties outside the Company (No. of concurrent positions at other listed companies: 0)] Managing Member of House Authentic LLC</p>			
<p>[Reason for nomination as candidate for External Director and outline of expected roles] Ms. Rie Yano has been involved in global businesses at Mitsubishi Corporation and Coach, Inc., a U.S.-based company, as well as in the creation of businesses as a founder and representative of start-ups. She also works as a partner at a venture capital firm and has a high-level of knowledge and experience in startup support and investment decision-making. We seek the appointment of Ms. Rie Yano as External Director as we expect that she will provide useful opinions and suggestions for the Company's future global development and DX and other initiatives, based on her diverse background, coupled with her deep involvement in the consumer-related businesses in both the Japanese and U.S. markets, as well as her expertise in the digital and e-commerce fields.</p> <p>Notes: 1. There is no special interest between the Company and Ms. Rie Yano. 2. Ms. Rie Yano is an External Director-new nominee. If the appointment is approved, the Company plans to notify the Tokyo Stock Exchange of the appointment as an External Director under the regulations of TSE. The Independence Criteria for Independent Directors of the Company is listed in page 27. 3. Ms. Rie Yano is an External Director-new nominee. If the appointment is approved, the Company plans to conclude a liability agreement with Ms. Rie Yano that limits her liability to the minimum liability amount stipulated in laws and regulations. 4. The Company has concluded a directors and officers liability insurance contract with an insurance company with all of its Directors as insured persons. The Company has assumed the costs of insurance premiums in full for all of the insured parties with respect to the insurance policy, which covers statutory compensation for damages, litigation expenses and other such outlays that an insured party may incur. All candidates will be insured under the insurance contract, which is to be renewed during their terms of office.</p>			

Proposal 2: To elect four (4) Directors serving as Audit and Supervisory Committee Members

The terms of office of all four (4) Directors serving as Audit and Supervisory Committee Members will expire at the conclusion of this Ordinary General Meeting of Shareholders. Therefore, we are seeking to elect four (4) Directors serving as Audit and Supervisory Committee Members.

We have obtained the consent of the Audit and Supervisory Committee in advance for the submission of this proposal.

The nominees for Directors serving as Audit and Supervisory Committee Members are as described below.

Nominee No.	Name	Gender Age	No. of Years Served as Director	Position and Responsibilities at the Company	No. of Concurrent Positions at Other Listed Companies	Attendance at Board of Directors' meetings	Attendance at Audit and Supervisory Committee' Meetings
1	Hiroshi Ishikura [Reappointment]	Male 60	2 years	Director, Standing Audit and Supervisory Committee Member	0	13/13 (100%)	13/13 (100%)
2	Kazutaka Okubo [Reappointment] External Director Independent Director	Male 53	4 years	Director, Audit and Supervisory Committee Member	4	13/13 (100%)	13/13 (100%)
3	Naoko Murasaki [Reappointment] External Director Independent Director	Female 54	5 years	Director, Audit and Supervisory Committee Member	1	13/13 (100%)	13/13 (100%)
4	Makiko Ushijima [Reappointment] External Director Independent Director	Female 61	2 years	Director, Audit and Supervisory Committee Member	0	13/13 (100%)	13/13 (100%)

- Notes: 1. The age and the number of years served as Director of each nominee are as of the conclusion of this meeting.
 2. Ms. Naoko Murasaki's term of office as External Director of the Company is five years, including four years as an Audit and Supervisory Committee member.

Nominee No.	Name (Date of Birth)	Brief Career Profile, Position and Responsibilities at the Company	
1	<p>[Reappointment]</p> <p>Hiroshi Ishikura (June 30, 1965) Age 60 Gender: Male</p> <p>Number of the Company's shares owned: 6,000 shares</p> <p>No. of years served as Director: 2 years</p> <p>Attendance at Board of Directors' meetings: 100% (13/13)</p> <p>Attendance at Audit and Supervisory Committee' Meetings: 100% (13/13)</p>	<p>Apr. 1988</p> <p>Aug. 1990</p> <p>Aug. 1995</p> <p>Jul. 1998</p> <p>Jul. 2003</p> <p>May 2004</p> <p>Jan. 2006</p> <p>Jun. 2006</p> <p>May 2012</p> <p>Apr. 2013</p> <p>Jun. 2013</p> <p>Apr. 2021</p> <p>Jun. 2021</p> <p>Jun. 2021</p> <p>Jun. 2022</p> <p>Sep. 2022</p> <p>Jun. 2024</p> <p>Jun. 2024</p> <p>Apr. 2025</p>	<p>Joined Aoyama Audit Corporation (now PricewaterhouseCoopers Japan LLC)</p> <p>Certified Public Accountant registered</p> <p>Joined Tohmatsu & Co. (now Deloitte Touche Tohmatsu LLC)</p> <p>Joined Capital Management, INC.</p> <p>Joined Tohmatsu & Co. (now Deloitte Touche Tohmatsu LLC)</p> <p>Partner of the above</p> <p>Joined Sammy Networks Co., Ltd., Director of Corporate Planning Office</p> <p>Executive Vice President, Director of the Board of the above</p> <p>Joined the Company, Deputy Managing Director of Group Internal Control Office, Group CSR Promotion Office and Internal Audit Office</p> <p>Certified Internal Auditor registered</p> <p>Vice President, Executive Officer and Managing Director of Group Internal Control Office, Group CSR Promotion Office and Internal Audit Office of the Company</p> <p>Audit & Supervisory Board Member of SEGA CORPORATION (current position)</p> <p>Audit & Supervisory Board Member of DARTSLIVE Co., Ltd.</p> <p>Audit & Supervisory Board Member of SEGA Logistics Service Co., Ltd.</p> <p>Audit & Supervisory Board Member of SEGA SAMMY GOLF ENTERTAINMENT INC.</p> <p>Audit & Supervisory Board Member of Sunrockers, Ltd.</p> <p>Audit & Supervisory Board Member of Sammy Corporation (current position)</p> <p>Director, Standing Audit and Supervisory Committee Member of the Company (current position)</p> <p>Audit & Supervisory Board Member of SEGA SAMMY CREATION INC. (current position)</p>
<p>[Important concurrent duties outside the Company (No. of concurrent positions at other listed companies: 0)] Audit & Supervisory Board Member of SEGA CORPORATION; Audit & Supervisory Board Member of Sammy Corporation; Audit & Supervisory Board Member of SEGA SAMMY CREATION INC.</p>			
<p>[Reason for nomination as candidate for Director serving as Audit and Supervisory Committee Member] Mr. Hiroshi Ishikura has a high level of expertise in corporate management and financial accounting through his auditing work as a certified public accountant and his experience as a director in charge of management divisions at a business corporation. Since joining the Company, he has served as the head of the internal audit, internal control, and CSR departments, and currently serves as Director serving as Audit and Supervisory Committee Member, as well as a corporate auditor of the Company's subsidiaries. We seek the reappointment of Mr. Hiroshi Ishikura as Director serving as Audit and Supervisory Committee Member as we expect that he will continue to provide appropriate advice and recommendations to the management of the Company based on his broad understanding of the Company's group in general and his knowledge of accounting and governance.</p>			
<p>Notes: 1. There is no special interest between the Company and Mr. Hiroshi Ishikura. 2. The Company has concluded a liability agreement with Mr. Hiroshi Ishikura that limits his liability to the minimum liability amount stipulated in laws and regulations. If the reelection of Mr. Hiroshi Ishikura is approved, the Company plans to continue the said limited liability agreement. 3. The Company has concluded a directors and officers liability insurance contract with an insurance company with all of its Directors as insured persons. The Company has assumed the costs of insurance premiums in full for all of the insured parties with respect to the insurance policy, which covers statutory compensation for damages, litigation expenses and other such outlays that an insured party may incur. All candidates will be insured under the insurance contract, which is to be renewed during their terms of office.</p>			

Nominee No.	Name (Date of Birth)	Brief Career Profile, Position and Responsibilities at the Company		
2	[Reappointment] [Nominee for External Director] [Independent Director]	Nov.	1995	Joined Century Audit Corporation (now Ernst & Young ShinNihon LLC)
	Kazutaka Okubo (March 22, 1973) Age 53 Gender: Male	Oct.	2003	Director of Shinnihon Integrity Assurance, Inc. (now Ernst & Young Shinnihon Sustainability Co., Ltd.)
	Number of the Company's shares owned: 0	Feb.	2005	Managing Director of the above
	No. of years served as Director: 4 years	Jun.	2006	Partner of Ernst & Young ShinNihon (now Ernst & Young ShinNihon LLC)
	Attendance at Board of Directors' meetings: 100% (13/13)	Jul.	2012	Senior Partner of Ernst & Young ShinNihon LLC
	Attendance at Audit and Supervisory Committee Meetings: 100% (13/13)	Feb.	2016	Senior Executive Board Member of the above
		Jun.	2019	President and Representative Director of Okubo Associates Inc. (current position)
		Jun.	2019	Outside Director of Sun Frontier Fudousan Co., Ltd.
		Jun.	2019	Audit & Supervisory Board Member (External) of the Company
		Sep.	2019	Outside Audit & Supervisory Board Member of BrainPad Inc.
		Dec.	2019	Outside Director of LIFULL Co., Ltd. (current position)
		Feb.	2020	Outside Director of SALA Corporation (current position)
		Jun.	2020	Outside Director (Audit and Supervisory Committee Member) of Musashi Seimitsu Industry Co., Ltd. (current position)
		Sep.	2021	Director (External/Member of the Audit and Supervisory Committee/Independent Director) of BrainPad Inc.
	Jun.	2022	External Director (Audit and Supervisory Committee Member) of the Company (current position)	
	Jun.	2024	Outside Director (Audit and Supervisory Committee Member) of Sun Frontier Fudousan Co., Ltd. (current position)	
[Important concurrent duties outside the Company (No. of concurrent positions at other listed companies: 4)] President and Representative Director of Okubo Associates Inc.; Outside Director of LIFULL Co., Ltd.; Outside Director of SALA Corporation; Outside Director (Audit and Supervisory Committee Member) of Musashi Seimitsu Industry Co., Ltd.; Outside Director (Audit and Supervisory Committee Member) of Sun Frontier Fudousan Co., Ltd.				
[Reason for nomination as candidate for External Director serving as Audit and Supervisory Board Member and outline of expected roles] Mr. Kazutaka Okubo has many years of experience in audit services as a certified public accountant and has a high degree of expertise in finance and accounting. We seek the reappointment of Mr. Kazutaka Okubo as External Director serving as Audit and Supervisory Committee Member as we expect that he will continue to appropriately guide and oversee the Company's management from an objective standpoint based on a wealth of knowledge in governance which he gained through experience as an outside director. Although he concurrently serves as an outside director of multiple companies, he actively contributes to discussions on the Company's decision-making and management issues by drawing on his diverse experience as an outside director and his knowledge of auditing and governance. The Company has determined that he is able to appropriately fulfill his duties as an External Director. Notes: 1. There is no special interest between the Company and Mr. Kazutaka Okubo. 2. Mr. Kazutaka Okubo is an External Director-nominee serving as an Audit and Supervisory Committee Member, and the Company has notified the Tokyo Stock Exchange (TSE) of his inauguration as Independent Director under the regulations of TSE. The Independence Criteria for Independent Directors of the Company is listed in page 27. 3. The Company has concluded a liability agreement with Mr. Kazutaka Okubo that limits his liability to the minimum liability amount stipulated in laws and regulations. If the reelection of Mr. Kazutaka Okubo is approved, the Company plans to continue the said limited liability agreement. 4. The Company has concluded a directors and officers liability insurance contract with an insurance company with all of its Directors as insured persons. The Company has assumed the costs of insurance premiums in full for all of the insured parties with respect to the insurance policy, which covers statutory compensation for damages, litigation expenses and other such outlays that an insured party may incur. All candidates will be insured under the insurance contract, which is to be renewed during their terms of office.				

Nominee No.	Name (Date of Birth)	Brief Career Profile, Position and Responsibilities at the Company	
3	[Reappointment] [Nominee for External Director] [Independent Director]	Apr. 1995	Joined the National Police Agency
	Naoko Murasaki (August 18, 1971) Age 54 Gender: Female	Aug. 2001	Northeast Asia Division, Asian and Oceanian Affairs Bureau of Ministry of Foreign Affairs
	Number of the Company's shares owned: 0	Aug. 2003	Chief of 2nd Criminal Investigation Division, Criminal Investigation Department of Shizuoka Prefectural Police Headquarters
	No. of years served as Director: 5 years	Mar. 2005	Chief of Foreign Affairs Division, Security Department of Hyogo Prefectural Police Headquarters
	Attendance at Board of Directors' meetings: 100% (13/13)	Oct. 2007	Security Planning Division, Security Bureau of the National Police Agency
	Attendance at Audit and Supervisory Committee' Meetings: 100% (13/13)	Apr. 2008	Bain & Company Japan Incorporated
	Number of the Company's shares owned: 0	Apr. 2010	Kroll International Inc. (Japan Office)
	No. of years served as Director: 5 years	Jan. 2015	Head of Japan of the above
	Attendance at Board of Directors' meetings: 100% (13/13)	Aug. 2018	President and Representative Director of Nobligier Co., Ltd. (current position)
	Attendance at Audit and Supervisory Committee' Meetings: 100% (13/13)	Sep. 2018	Senior Advisor of Kroll International Inc. (Japan Office)
	Number of the Company's shares owned: 0	Mar. 2021	Outside Director of Sansei Landic Co., Ltd. (current position)
	No. of years served as Director: 5 years	Jun. 2021	Director of the Board (External) of the Company
	Attendance at Board of Directors' meetings: 100% (13/13)	Mar. 2022	Outside Director (Audit and Supervisory Committee Member) of Riraku Co., Ltd. (current position)
	Attendance at Audit and Supervisory Committee' Meetings: 100% (13/13)	Jun. 2022	External Director (Audit and Supervisory Committee Member) of the Company (current position)
Number of the Company's shares owned: 0	Jul. 2023	Outside Director (Audit and Supervisory Committee Member) of VISIONARY HOLDINGS CO., LTD.	
[Important concurrent duties outside the Company (No. of concurrent positions at other listed companies: 1)] President and Representative Director of Nobligier Co., Ltd.; Outside Director of Sansei Landic Co., Ltd.			
[Reason for nomination as candidate for External Director serving as Audit and Supervisory Board Member and outline of expected roles] Ms. Naoko Murasaki has a high degree of expertise in the field of the global risk and governance which she gained over many years in the National Police Agency, the Ministry of Foreign Affairs and risk consulting firms. As we highly value her experience and capabilities, we seek the reappointment of Ms. Naoko Murasaki as External Director serving as an Audit and Supervisory Committee Member because we expect that she will continue to appropriately guide and oversee the Company's management from an objective standpoint based on her experience and capabilities. Notes: 1. There is no special interest between the Company and Ms. Naoko Murasaki. 2. Ms. Naoko Murasaki's term of office as External Director of the Company is five years, including four years as an Audit and Supervisory Committee member. 3. Ms. Naoko Murasaki is an External Director-nominee serving as an Audit and Supervisory Committee Member, and the Company has notified the Tokyo Stock Exchange (TSE) of her inauguration as Independent Director under the regulations of TSE. The Independence Criteria for Independent Directors of the Company is listed in page 27. 4. The Company has concluded a liability agreement with Ms. Naoko Murasaki that limits her liability to the minimum liability amount stipulated in laws and regulations. If the reelection of Ms. Naoko Murasaki is approved, the Company plans to continue the said limited liability agreement. 5. The Company has concluded a directors and officers liability insurance contract with an insurance company with all of its Directors as insured persons. The Company has assumed the costs of insurance premiums in full for all of the insured parties with respect to the insurance policy, which covers statutory compensation for damages, litigation expenses and other such outlays that an insured party may incur. All candidates will be insured under the insurance contract, which is to be renewed during their terms of office.			

Nominee No.	Name (Date of Birth)	Brief Career Profile, Position and Responsibilities at the Company	
4	[Reappointment] [Nominee for External Director] [Independent Director]	Sep. 1994	Researcher of Program on U.S.-Japan Relations of Harvard's Center for International Affairs (now Weatherhead Center for International Affairs)
	Makiko Ushijima (April 10, 1965) Age 61 Gender: Female	May 1995	Registered as a New York lawyer
	Number of the Company's shares owned: 0	Nov. 1995	Joined Shearman & Sterling LLP (now Allen Overy Shearman Sterling GKJ)
	No. of years served as Director: 2 years	May 1998	Joined Orrick, Herrington & Sutcliffe LLP
	Attendance at Board of Directors' meetings: 100% (13/13)	Jul. 2002	Executive Officer and Head of Legal Office of GE Fleet Services Corporation
	Attendance at Audit and Supervisory Committee' Meetings: 100% (13/13)	Feb. 2003	Joined Dorsey & Whitney LLP
		Jul. 2008	Registered as a US certified public accountant (Illinois)
		Dec. 2008	Registered as a lawyer (Dai-Ichi Tokyo Bar Association)
		Dec. 2008	Joined Nagashima Ohno & Tsunematsu
		Jul. 2011	Joined Sidley Austin Foreign Law Joint Enterprise
		Feb. 2017	Joined Jones Day Tokyo, Of Counsel (current position)
		Sep. 2019	Director (External/Independent Director) of BrainPad Inc.
		Sep. 2023	Director (External/Member of the Audit and Supervisory Committee/Independent Director) of the above
		Jun. 2024	External Director (Audit and Supervisory Committee Member) of the Company (current position)
[Important concurrent duties outside the Company (No. of concurrent positions at other listed companies: 0)] Of Counsel of Jones Day Tokyo			
<p>[Reason for nomination as candidate for External Director serving as Audit and Supervisory Board Member and outline of expected roles]</p> <p>Ms. Makiko Ushijima is a licensed attorney (Japan and New York) and U.S. certified public accountant with a wealth of experience in M&A transactions and global corporate compliance, as well as a multifaceted perspective in the finance and legal fields. She also has wealth of knowledge in governance. We seek the reappointment of Ms. Makiko Ushijima as External Director serving as Audit and Supervisory Committee Member as we expect that she will continue to provide appropriate guidance and supervision of the Company's management from an objective standpoint during the stage of global business expansion.</p> <p>Notes: 1. There is no special interest between the Company and Ms. Makiko Ushijima. 2. Ms. Makiko Ushijima is an External Director-nominee serving as an Audit and Supervisory Committee Member, and the Company has notified the Tokyo Stock Exchange (TSE) of her inauguration as Independent Director under the regulations of TSE. The Independence Criteria for Independent Directors of the Company is listed in page 27. 3. The Company has concluded a liability agreement with Ms. Makiko Ushijima that limits her liability to the minimum liability amount stipulated in laws and regulations. If the reelection of Ms. Makiko Ushijima is approved, the Company plans to continue the said limited liability agreement. 4. The Company has concluded a directors and officers liability insurance contract with an insurance company with all of its Directors as insured persons. The Company has assumed the costs of insurance premiums in full for all of the insured parties with respect to the insurance policy, which covers statutory compensation for damages, litigation expenses and other such outlays that an insured party may incur. All candidates will be insured under the insurance contract, which is to be renewed during their terms of office.</p>			

Proposal 3: To elect one (1) Substitute Director serving as Audit and Supervisory Committee Member

In the event of a vacancy in the office of a Director who is a Standing Audit and Supervisory Committee Member, we seek appointment of one (1) Substitute Director serving as Audit and Supervisory Committee Member.

We have obtained the consent of the Audit and Supervisory Committee in advance for the submission of this proposal.

The nominee for Substitute Director serving as Audit and Supervisory Committee Members is as described below.

Name (Date of Birth)	Brief Career Profile, Position and Responsibilities at the Company		
<p>Kiyotaka Kunihiro (April 30, 1957) Age 69 * Full age at the conclusion of this Ordinary General Meeting of Shareholders Gender: Male</p> <p>Number of the Company's shares owned: 0</p>	Apr.	1980	Joined Computer Services Corporation (now SCSK Corporation)
	Oct.	1991	Joined Sega Enterprises, Ltd., Planning and Administration Dept. (now SEGA CORPORATION)
	Jul.	2001	Deputy Director of Accounting and Finance Division of SEGA CORPORATION
	Oct.	2004	General Manager of Accounting and Finance Division of the above
	Oct.	2009	General Manager of Budget Management Department of the above
	Apr.	2017	Audit & Supervisory Board Member of TMS ENTERTAINMENT CO., LTD.
	Jun.	2019	Audit & Supervisory Board Member of SEGA TOYS CO., LTD. (now SEGA FAVE CORPORATION) (current position)
	Jun.	2020	Standing Audit & Supervisory Board Member of SEGA CORPORATION (current position)
	Jun.	2021	Audit & Supervisory Board Member of ATLUS CO., LTD. (current position)
	Apr.	2024	Audit & Supervisory Board Member of WAVE MASTER INC. (now SEGA MUSIC Inc.) (current position)
	May	2024	Audit & Supervisory Board Member of MPandC Inc. (current position)
Jun.	2024	Audit & Supervisory Board Member of Sunrockers, Ltd. (current position)	
<p>[Important concurrent duties outside the Company (No. of concurrent positions at other listed companies: 0)] Standing Audit & Supervisory Board Member of SEGA CORPORATION</p>			
<p>[Reason for nomination as candidate for Substitute Director serving as an Audit and Supervisory Committee Member] Mr. Kiyotaka Kunihiro has served as the head of the finance and accounting division of SEGA CORPORATION and has a high degree of insight in finance and accounting. We seek the appointment of Mr. Kiyotaka Kunihiro as Substitute Director serving as an Audit and Supervisory Committee Member as we expect that he will provide appropriate advice and recommendations to the Company's management based on a fact that he is currently engaged in business as a corporate auditor of group subsidiaries, mainly the Sega Group, utilizing his knowledge and experience.</p> <p>Notes: 1. There is no special interest between the Company and Mr. Kiyotaka Kunihiro. 2. Mr. Kiyotaka Kunihiro is an Audit & Supervisory Board Member of SEGA CORPORATION, a company with which the Company has a specified related business relationship. 3. If Mr. Kiyotaka Kunihiro assumes office as a Director serving as an Audit and Supervisory Committee Member, the Company plans to conclude a liability agreement with Mr. Kiyotaka Kunihiro that limits his liability to the minimum liability amount stipulated in laws and regulations. 4. The Company has concluded a directors and officers liability insurance contract with an insurance company with all of its Directors as insured persons. The Company has assumed the costs of insurance premiums in full for all of the insured parties with respect to the insurance policy, which covers statutory compensation for damages, litigation expenses and other such outlays that an insured party may incur. If Mr. Kiyotaka Kunihiro assumes office as a Director serving as an Audit and Supervisory Committee Member, he will be insured under the insurance contract, which is to be renewed when a renewal timing comes up in the middle of a term of office.</p>			

[Reference] Major skills matrix of the members of the Board of Directors

Expertise and experience possessed by the members of the Board of Directors will be as shown below, if Proposals 1 and 2 are approved.

It is our basic policy that the Company selects Director-nominees based on consideration of their conformity to the Skills Matrix, personalities, and other factors in a comprehensive manner.

Name	Category	Gender	Expertise and Experience							
			Corporate Management	Entertainment Business Creation	Finance / Accounting	Risk Management / Compliance	Legal affairs	ICT / DX	Global	Sustainability
Hajime Satomi		Male	•	•						
Haruki Satomi		Male	•	•					•	•
Koichi Fukazawa		Male	•	•	•			•		
Shuji Utsumi		Male	•	•					•	
Ayumu Hoshino		Male	•	•						
Kohei Katsukawa	External Director Independent Director	Male	•		•	•				
Fujiyo Ishiguro	External Director Independent Director	Female	•					•	•	•
Ankur Sahu	External Director Independent Director	Male	•		•				•	
Rie Yano	External Director Independent Director	Female	•					•	•	
Hiroshi Ishikura	Audit and Supervisory Committee Member	Male			•	•				•
Kazutaka Okubo	External Director Independent Director Audit and Supervisory Committee Member	Male	•		•	•				•
Naoko Murasaki	External Director Independent Director Audit and Supervisory Committee Member	Female	•			•			•	•
Makiko Ushijima	External Director Independent Director Audit and Supervisory Committee Member	Female				•	•		•	•

Note: A maximum of four elements particularly required of each person are presented. The above list does not indicate all the insight and experience possessed by them.

Details of expertise and experience

The Company selected experience and knowledge required as a publicly traded company, along with those that are required to achieve the long-term vision of the Company.

Expertise and Experience	Definition	Reason for Selection
Corporate Management	Experience and knowledge in leading the formulation and execution of management strategies aimed at enhancing corporate value over the medium to long term, as well as the organizational operations, allocation of management resources, portfolio management, and other related areas, as a senior executive of a listed company or an equivalent organization	Amid the global development of businesses with different characteristics, such as entertainment content, pachislot and pachinko machines, and gaming, decision-making and allocation of management resources are required from a medium- to long-term perspective. Therefore, Directors with a high level of experience and knowledge in corporate management are required to provide supervision and advice on the direction of management and the validity of the Company's strategies at the Board of Directors.
Entertainment Business Creation	Experience in leading the launch and growth of businesses in the entertainment field through the planning, development, and deployment of content, IP, services, etc., or experience and knowledge in business creation (including the validation of growth strategies and business portfolios)	Amid rapid changes in the market environment and customer needs, it is necessary for the Company to incorporate practical experience and knowledge of business creation into the Board of Directors in order to maintain the competitiveness of its businesses and content. The Board of Directors is therefore required to take responsibility for assessing the validity of growth strategies and the business portfolio.
Finance / Accounting	Professional experience in financial institutions, audit firms, capital markets, etc., or experience and knowledge to lead finance and accounting, capital policy, corporate value evaluation, etc., at listed companies, etc., which contribute to the supervision and advice on financial strategies by the Board of Directors	In order to maximize corporate value over the medium to long term, it is necessary for the Company to promote financial strategies that emphasize capital-efficiency. The Board of Directors is therefore required to enhance the quality of management decisions and contribute to constructive engagement with capital markets by verifying the reasonableness of the corporate value evaluation and financial and business plans, as well as by supervising the optimization of funding policies and capital structure.
Risk Management / Compliance	Professional experience in risk management related to business, financial, regulatory and reputational risks, etc. associated with corporate activities, or experience and knowledge that contribute to Board-level oversight of the establishment and operation of the compliance system and internal controls, and internal audits (or responses to audits)	As the Company operates in diverse business fields and regions, it is essential for the Company to manage risks according to the characteristics of its businesses and regions, and manage the Company based on the premise of compliance. The Board of Directors is therefore required to provide appropriate supervision and advice on these matters.
Legal affairs	Practical experience in corporate legal affairs, cross-border transactions, governance, dispute resolution, and related areas, or experience and knowledge as a legal professional that contribute to the supervision and advice on management decision-making and governance	As the Company operates multiple businesses globally, the Company needs appropriate supervision and advice from a legal perspective regarding management decisions and responses. It is therefore necessary to ensure that the Board of Directors makes decisions with due consideration of legal risks.
ICT / DX	Experience in formulating and promoting operational reforms, business innovation, data utilization, system strategies, etc., utilizing information and digital technologies, or experience and knowledge in the ICT and digital transformation (DX) fields	Amid significant changes in the business environment and competitive conditions due to the progress of digital technologies, it is necessary for the Company to make management decisions based on the perspective of ICT and DX, with a view to medium- to long-term business strategies,

Expertise and Experience	Definition	Reason for Selection
		operational sophistication and the establishment of competitive advantage.
Global	Experience in leading business expansion in overseas markets or managing local operations, or knowledge of regional market environments, cultures, business practices, regulations, and geopolitical risks, together with the experience and knowledge necessary to provide appropriate supervision and advice on growth strategies and risk management	As the Company strives for sustainable growth through global business expansion, it is necessary for the Company to manage its business based on the premise that market environments, regulations, geopolitical risks, and other conditions differ across regions. The Board of Directors is therefore required to provide appropriate supervision and advice on these matters.
Sustainability	Knowledge in sustainability-related issues such as the environment, society, human resources, and governance, or experience and knowledge in integrating management strategies with corporate value enhancement through the formulation and promotion of ESG strategies and the disclosure of non-financial information	Under the mission of “Captivate the World,” it is necessary for the Company to promote problem-solving based on materiality in an integrated manner with management strategies and pursue long-term corporate value enhancement. Based on this viewpoint, the Board of Directors is required to incorporate a sustainability-related perspective into its oversight.

[Reference] Composition of the Board of Directors

If Proposals 1 and 2 are approved, the composition of the Board of Directors will be as follows.

Category	Number	Percentage of total
Independent External Directors	7 out of 13 (7 out of 13)	53.8% (53.8%)
Female Directors	4 out of 13 (4 out of 13)	30.8% (30.8%)
Foreign Directors	1 out of 13 (2 out of 13)	7.7% (15.4%)

* The figures in parentheses represent the number of directors and composition rate prior to approval.

[Reference]

Policy and procedures for selection of Director-nominees

It is our basic policy that the Company selects Director-nominees based on consideration of their conformity to the Skills Matrix, personalities and other factors in a comprehensive manner. The Company has established the following policy for the selection of External Director-nominees to ensure the transparency of management and objectivity of supervision.

- (i) The ratio of External Directors to the total number of directors shall be at least 50%.
- (ii) In principle, the maximum years of service of External Directors shall be eight (8) years; provided, however, that, if all members of the Independent Advisory Committee except the director concerned agree, the maximum years of service shall be twelve (12) years. (Note)
- (iii) In principle, the maximum number of listed companies in which External Directors concurrently hold positions shall be five (5), including the Company; provided, however, that, if all members of the Independent Advisory Committee except the director concerned agree, the maximum number of companies shall be seven (7).

The Independent Advisory Committee comprising of Independent External Directors shall examine the draft of Director-nominees presented by the President, Representative Director, hold interviews with such nominees, and report the result of evaluation to the President, Representative Director as its opinion. The President, Representative Director shall determine the Director-nominees based on the evaluation result in accordance with the above policy, and the Board of Directors shall review and approve it. The same shall apply to a case where the Independent Advisory Committee makes recommendation of Director-nominees to the President, Representative Director. In the appointment of Directors serving as Audit and Supervisory Committee Members and Substitute Directors serving as Audit and Supervisory Committee Members, consent of the Audit and Supervisory Committee shall be obtained in advance.

(Note) The maximum years of service of External Directors remains at eight (8) years in principle. However, in light of our corporate governance structure, we have revised the framework such that the maximum years of service, in case all members of the Independent Advisory Committee excluding the Director concerned agree, be extended from ten (10) years to twelve (12) years.

[Reference]

The Independence Criteria for Independent Directors

The “independence” criteria regarding Independent External Directors of the Company have been prepared, on the assumption that provisions stipulated in the Companies Act and the Tokyo Stock Exchange are complied with, to set forth rules. The Board of Directors shall select a person who meets the said criteria and who is expected to contribute to honest, active and constructive discussion at the Board of Directors. Outline of the rules regarding the independence is as follows.

- (a) The Independence Criteria is based on qualifications for External Directors as stipulated in the Companies Act, and the independence standards stipulated by the Tokyo Stock Exchange, and wording of “major,” “a large amount of,” etc., are defined by the guideline developed by referring to published models of selection criteria for independent officers. The followings are its summaries.

* A person shall not fall under any of the items below in order to be Independent External Director of the Company.

- (1) A party whose major business partner is the Group or an executive person thereof.
The “major” in this item is defined as that such party received payment from the Group in the amount equivalent to 2% of the total consolidated net sales of the said party or more for the most recent fiscal year.
 - (2) A party who is a major business partner of the Company or an executive person thereof.
The “major” in this item is defined as that the Company received payment from such party in the amount equivalent to 2% of the total consolidated net sales of the Company or more for the most recent fiscal year.
 - (3) A major shareholder who holds 10% or more of the total shares issued and outstanding of the Company or an executive person thereof.
 - (4) A party of which the Group holds 10% or more of the total shares issued and outstanding or an executive person thereof.
 - (5) The said External Director who has received, directly from the Group, compensation as legal professional, accounting or taxation specialist, or consultant for an average of 10 million yen or more annually (excluding compensation paid for the position as Director of the Company) for the last three years.
 - (6) The amount of donation by the Group to non-profit organization for which the said External Director serves as an executive person was 10 million yen or more for the most recent fiscal year.
 - (7) A party who has fallen under any of the above 6 items in the past one year.
 - (8) The said External Director whose spouse, relative within the second degree, or relative living together falls under any items from 1 to the preceding item, or serves as Executive Director, Executive Officer, Manager, or employee in an important position at the Group. The “important” in this item is defined as being in a position of manager level or above.
- (b) With regard to minor criteria concerning attribute information to be stated in the Independent Director Designation Form, the Company deems “less than 100 million yen” as minor for “transactions,” and “less than 10 million yen” for “donation,” for the most recent fiscal year, and for the period starting from the beginning date of the current fiscal year to the submission date of the most recent designation form.

Business Report (From April 1, 2025 To March 31, 2026)

I Present State of the Group

1. Business progress and results

Operating income in the fiscal year ended March 31, 2026, declined from the prior fiscal year due to factors including slow performance in the Entertainment Contents Business and the impact on business results of the acquisitions of GAN Limited (“GAN”) and Stakelogic B.V. (“Stakelogic”) in the Gaming business.

In addition, loss attributable to owners of parent was recorded as a result of the recording, as extraordinary losses, of impairment losses on goodwill and other intangible assets of Rovio Entertainment Ltd (“Rovio”) and goodwill and other property, plant, and equipment of Stakelogic. Income taxes – deferred (gains) were also recorded following revision of the recoverability of deferred tax assets.

As a result, net sales for the fiscal year ended March 31, 2026 amounted to ¥487,542 million (an increase of 13.7% from the prior fiscal year). The Group posted operating income of ¥47,128 million (a decrease of 2.1% from the prior fiscal year) and ordinary income of ¥54,205 million (an increase of 2.1% from the prior fiscal year). Loss attributable to owners of parent amounted to ¥5,756 million (vs. profit attributable to owners of parent of ¥45,051 million in the prior fiscal year). Adjusted EBITDA was ¥16,656 million (a decrease of 73.3% from the prior fiscal year).

Result of each segment is as follows.

Net sales in each segment here do not include inter-segment sales between segments.

« Entertainment Contents »

In the Consumer area, the Group launched new titles centered on its flagship IPs, including Full Game titles such as “Sonic Racing: CrossWorlds” (released on September 25, 2025) and “Football Manager 26” (released on November 5, 2025), as well as F2P (free-to-play) titles such as “Persona5: The Phantom X” (service launched on June 26, 2025) and “Sonic Rumble Party” (service launched on November 5, 2025). However, due to certain titles performing below plan, as well as sluggish performance of existing mainstay titles and delays in the launch of new titles at Rovio, overall performance remained sluggish. As a result, the Entertainment Contents Business recorded higher sales but lower profits compared to the prior fiscal year. Meanwhile, licensing revenue associated with transmedia development, an area of focus for expansion under the current Medium-term Plan, grew steadily throughout the current fiscal year, increased by 31.6% compared to the prior fiscal year.

In the Animation area, in addition to the strong box office performance of “Detective Conan: One-Eyed Flashback” (released on April 18, 2025), which generated approximately ¥14.7 billion in box office revenue, sales of animation series to domestic and overseas streaming platforms also showed a strong performance, resulting in increases in both sales and profits.

In the AM & TOY area, performance remained steady, driven mainly by standard products in amusement machines and toys.

The resulting net sales stood at ¥326,639 million (an increase of 1.6% from the prior fiscal year), ordinary income at ¥34,447 million (a decrease of 17.8% from the prior fiscal year), and adjusted EBITDA at ¥13,353 million (a decrease of 72.3% from the prior fiscal year).

« Pachislot & Pachinko Machines »

In the pachislot business, sales were concentrated in the second half of the fiscal year due to the regulatory approvals. However, sales of each title performed strongly, particularly “Smart Pachislot Tokyo Revengers” (installed in September 2025), “Smart Pachislot Hokuto No Ken Chapter of Resurrection 2” (installed in January 2026), and “Smart Pachislot Kabaneri of the Iron Fortress: The Battle of Unato” (installed in March 2026), resulting in increases in both sales and profits compared to the prior fiscal year. In addition, “Smart Pachislot Bakemonogatari” (installed in December 2025) and

“Smart Pachislot Kabaneri of the Iron Fortress: The Battle of Unato” are scheduled for additional sales in the fiscal year ending March 31, 2027.

Furthermore, in response to the pachislot and pachinko market, which continues to experience a long-term contraction trend, the Group is working to create an environment in which the industry and manufacturers can coexist and prosper together. Starting from the fiscal year ended March 31, 2026, the Group began launching a new pachislot cabinet (reel-exchangeable cabinet) as part of efforts to establish a new business model.

The resulting net sales stood at ¥132,063 million (an increase of 36.0% from the prior fiscal year), ordinary income at ¥33,301 million (an increase of 58.8% from the prior fiscal year), and adjusted EBITDA at ¥33,700 million (an increase of 38.8% from the prior fiscal year).

« Gaming »

As a result of the consolidation of the financial results of GAN and Stakeologic, both of which were acquired during the current fiscal year, net sales increased compared to the prior fiscal year, while an ordinary loss was recorded, compared to an ordinary income recorded in the prior fiscal year. On the other hand, sales of gaming equipment, the Group’s existing business domain, reached a record high, and equity in earnings of affiliates related to “PARADISE CITY” in South Korea also reached a record high.

In the gaming equipment sales area, in addition to the flagship series in the North American market, such as “Railroad RICHES™” and “Super Burst™”, both of newly launched series, “Railroad RICHES Link™” series and “Super Burst Boosted™” also recorded high utilization, resulting in strong sales performance.

In “PARADISE CITY” in South Korea, the casino maintained a high level of drop amounts (chip purchases), particularly from Japanese VIP customers, and the hotel business also performed strongly, maintaining high occupancy rates and room rates. As a result, for the period from January to December 2025, both net sales and each stage of profit reached all-time highs since its opening. In addition, due to the recognition of deferred tax assets, equity in earnings of affiliates exceeded expectations and contributed significantly to profits.

* GAN, Stakeologic and PARADISE SEGASAMMY Co., Ltd. are recorded with a three-month delay due to the December fiscal year-end.

The resulting net sales stood at ¥25,312 million (an increase of 364.3% from the prior fiscal year), ordinary loss at ¥842 million (ordinary income of ¥2,186 million for the prior fiscal year), and adjusted EBITDA at ¥(18,406) million (adjusted EBITDA at ¥1,023 million for the prior fiscal year).

2. Issues to be addressed

A look at the business environment of the Entertainment Contents Business shows that growth in the consumer area has plateaued amid declining conditions attributable to inflation and other factors. Game development costs continue to increase for various reasons, including rising labor costs and lengthening development periods. There is a pressing need to adapt to such changes in the business environment.

At the same time, expectations are for continuing growth in the game market. Diversification in the means for supplying services has helped create an environment in which content and services can be provided worldwide over a longer term, whether they are based on devices or platforms. The Group has positioned the consumer area as a growth area, on which it plans to focus management resources to promote business development globally. It considers as key management topics its efforts to enhance its development structure and to develop quality content by securing and developing outstanding human resources; to enhance its sales capabilities to maximize the potential of Full Game titles; and to bolster user engagement through the long-term deployment of products and services using core intellectual property (IP).

In the Pachislot & Pachinko Machines Business, while utilization of Pachinko machines remained low, the ongoing introduction of hit smart Pachislot models in the Pachislot machines market is maintaining strong utilization levels. At the same time, the Pachislot and Pachinko Machines market continues to contract, amid declining numbers of facilities and units installed and sold over the long term. Under such conditions, the Company believes key management topics include efforts to develop products suited to market needs and progress on the sharing of parts and materials among Pachislot and Pachinko machines to reduce costs through reuse and other means, in addition to improving development efficiency. All these are intended to ensure the profitability of the business. Other pressing issues include the need to balance cutting costs to both manufacturers and Pachislot and Pachinko halls and stimulating the market through increasing numbers of users.

In the Gaming Business, compliance with laws and regulations in each country or region and efforts to obtain and maintain the approval of the authorities are essential. To enter the online gaming market, centered on the iGaming market in the United States, which is expected to experience significant growth, the Company will rapidly promote post-merger integration (PMI) of two companies it acquired: GAN of the U.S. (a platform provider) and Netherlands-based Stakelogic (a content supplier). It sees as a key, forward-looking management topic the establishment of the Gaming Business as its third business pillar, drawing on efforts to maximize Group synergies and enhanced competitive strengths.

The Company also considers realization of increases in corporate value through investment in growth and returns to shareholders, while remaining conscious of capital efficiency, to be an important management topic.

The Group's mission is captured in the words "Captivate the World—Making Life More Colorful." To this end, the Group strives to help build a sustainable society while strengthening corporate value. The Group has identified the five materialities (key issues) listed below as priority topics, based on the external framework of the Sustainability Accounting Standards Board (SASB) model. The Group has also formulated its vision for sustainability: Sustainability helps keep life colorful. The Group continues to promote efforts based on its understanding that contributing to the realization of a sustainable society is a key management concern.

- Human Resources: Developing people who can create captivating experiences
- Products and Services: Providing safe, dependable, and innovative products and services
- Environment: Strategic commitment to action on climate change
- Addiction: Prevention of addictions and disorders
- Governance: Strengthening sustainability governance

3. Fundraising and other topics

(1) Fundraising

Seeking to create a Groupwide safety net by securing funds liquidity over the medium to long term, the Company has concluded agreements with its banks for lines of credit amounting to ¥114,000 million.

The Company did not engage in any new fundraising in the current fiscal year.

The Group has adopted a cash management system to put Group internal funds to effective use. This system is used by 19 companies in total, including the Company, SEGA CORPORATION, and Sammy Corporation.

(2) Capital investment

The Group invested ¥16,522 million in capital investment in the current consolidated fiscal year. This consisted mainly of capital investments of ¥7,626 million in the Entertainment Contents Business, ¥5,473 million in the Pachislot & Pachinko Machines Business, and ¥1,939 million in the Gaming Business. Capital investment totaled ¥1,482 million for the Company as a whole.

(3) Business transfer, absorption-type corporate split, or spinoff

Effective June 1, 2025, consolidated subsidiary SEGA SAMMY CREATION INC. succeeded to the Company's Gaming business through an absorption-type demerger.

(4) Acquisition of businesses from other companies

No noteworthy matters in this regard emerged during the current consolidated fiscal year.

(5) Succession of rights or obligations related to the businesses of other corporations or other entities through absorption-type merger, absorption-type corporate split, etc.

No noteworthy matters in this regard emerged during the current consolidated fiscal year.

(6) Acquisition or disposal of stock or other equity, stock options, etc. in other companies

The Company's consolidated subsidiary SEGA SAMMY CREATION INC. acquired the stock of Stakelogic B.V., making Stakelogic a consolidated subsidiary effective April 28, 2025.

The Company's consolidated subsidiary SEGA SAMMY CREATION INC. acquired the stock of GAN Limited, making GAN a consolidated subsidiary effective May 27, 2025.

4. Finances and profit/loss

Fiscal year		FY2023	FY2024	FY2025	FY2026
Category		April 1, 2022 – March 31, 2023	April 1, 2023 – March 31, 2024	April 1, 2024 – March 31, 2025	April 1, 2025 – March 31, 2026
Net sales	(millions of yen)	389,635	468,925	428,948	487,542
Ordinary income	(millions of yen)	49,473	59,778	53,114	54,205
Profit (loss) attributable to owners of parent	(millions of yen)	45,938	33,055	45,051	(5,756)
Basic earnings (loss) per share	(yen)	208.07	150.75	209.79	(27.36)
Total assets	(millions of yen)	501,566	653,994	644,777	627,388
Net assets	(millions of yen)	331,347	357,702	381,604	354,967

- Notes:
- Figures presented in units of millions of yen are rounded down to the nearest million yen.
 - Basic earnings (loss) per share is calculated based on the average number of shares during the period in question.
 - The Company has implemented an officer remuneration BIP plan and a stock-granting employee stock ownership plan (ESOP). Shares of Company stock held in these trusts are recorded on the consolidated financial statements as treasury stock. For this reason, these were excluded from calculations of average shares during the period for the purpose of calculating basic earnings (loss) per share.
 - Due to the "Changes in method of presentation" for the fiscal year ended March 31, 2025, the reclassified figures of the fiscal year ended March 31, 2024 for net sales has been retroactively applied.

5. The Group's main business segments

The Group's businesses are the Entertainment Contents Business, the Pachislot & Pachinko Machines Business, and the Gaming Business. Their main lines of business are shown below.

Segment	Main product and business
Entertainment Contents Business	Development and sales of consumer game software including Full Game, F2P, etc. and amusement machines, planning, production and sales of animated films, development, manufacture, and sales of toys
Pachislot & Pachinko Machines Business	Development, manufacture, and sales of pachislot and pachinko machines
Gaming Business	Overseas online gaming-related business, operation of integrated resorts, development, manufacture and sales of casino machines

6. Main Group facilities, etc.

(1) Company sites

Head office (Shinagawa Ward, Tokyo)

(2) Sites of main subsidiaries

• SEGA CORPORATION

Head office (Shinagawa Ward, Tokyo)

• Sammy Corporation

Head office (Shinagawa Ward, Tokyo)

Kawagoe Plant (Kawagoe, Saitama Prefecture)

Branch offices (8 branches)

(3) Employees

Number of employees (YOY change) 9,237 (up 1,090)

Notes: 1. Number of employees refers to the number currently employed in the Group, including seconded personnel. It does not include temporary employees.

2. The increase was primarily attributable to the acquisition of shares in Stakelogic and GAN within the Gaming business, resulting in their inclusion, along with their subsidiaries, in the scope of consolidation.

7. Material conditions concerning the parent company and subsidiaries

(1) Parent company

Not applicable

(2) Subsidiaries

Company	Capital	Investment stake	Main lines of business
SEGA CORPORATION	100 million yen	100.0%	Planning, development, and sale of game content for mobile phones, PCs, smart devices, and home video game console
Sammy Corporation	18,221 million yen	100.0%	Development, manufacture, and sale of pachislot and pachinko machines
SEGA FAVE CORPORATION	100 million yen	100.0% ^{Note}	Development, manufacture, and sale of toys and development, sale, etc. of amusement game machines
ATLUS CO., LTD.	10 million yen	100.0% ^{Note}	Development of video game software
Sega of America, Inc.	USD110,000 thousand	100.0% ^{Note}	Development management and sale of video game software
Sega Europe Ltd.	GBP10,005 thousand	100.0% ^{Note}	Development management and sale of video game software
Sega Publishing Europe Ltd.	GBP0 thousand	100.0% ²	Development management and sale of video game software
Rovio Entertainment Ltd	EUR 733 thousand	100.0% ^{Note}	Planning, development, operation, and distribution of smartphone games
Sega Logistics Service Co., Ltd.	100 million yen	100.0% ^{Note}	Maintenance services, transportation, and warehouse services
DARTSLIVE Co., Ltd.	10 million yen	100.0% ^{Note}	Planning, development, and sale of game equipment and game software
TMS ENTERTAINMENT CO., LTD.	100 million yen	100.0% ^{Note}	Planning, production, and sale of animated films
MARZA ANIMATION PLANET INC.	100 million yen	100.0% ^{Note}	Production of computer graphics animation; planning and production of animated films; licensing business
RODEO Co., Ltd.	100 million yen	100.0% ^{Note}	Development, manufacture, and sale of pachislot machines
TAIYO ELEC Co., Ltd.	100 million yen	100.0% ^{Note}	Development, manufacture, and sale of pachislot and pachinko machines
Sammy Networks Co., Ltd.	100 million yen	100.0% ^{Note}	Planning, production, and sale of game and music content through mobile phones, the Internet, and other channels
SEGA SAMMY CREATION INC.	10 million yen	100.0%	Development, manufacture, and sale of gaming machines
SEGA SAMMY CREATION USA INC.	USD100 thousand	100.0% ^{Note}	Development, manufacture, and sale of gaming machines
GAN Limited	USD457 thousand	100.0% ^{Note}	SaaS business for U.S. casino operators

Note: The investment stake includes indirect holdings.

(3) Specified wholly owned subsidiaries at the end of the current fiscal year

Specified wholly owned subsidiary	Address	Total book value
SEGA CORPORATION	1-1-1 Nishi-Shinagawa, Shinagawa-ku, Tokyo	\117,666 million
Sammy Corporation	1-1-1 Nishi-Shinagawa, Shinagawa-ku, Tokyo	\152,095 million

Note: The Company holds total assets of \549,714 million.

8. Main lenders and amounts of borrowings

Lender	Balance of borrowings
Sumitomo Mitsui Banking Corporation	\38,928 million
MUFG Bank, Ltd.	\24,142 million
Mizuho Bank, Ltd.	\22,142 million
Aozora Bank, Ltd.	\12,571 million
SBI Shinsei Bank, Limited	\8,571 million
Resona Bank, Limited	\8,485 million
The Bank of Yokohama, Ltd.	\7,925 million
Sumitomo Mitsui Trust Bank, Limited	\4,945 million
The Hokuriku Bank, Ltd.	\4,285 million
Total	\132,000 million

9. Policy on exercise of authority in cases in which the Articles of Incorporation provide for the Board of Directors to decide on matters such as the distribution of retained earnings

Having positioned the return of profits to shareholders as a key management topic, the Company has established a basic policy on shareholder returns that call for maintaining a total payout ratio of 50% or higher while considering the optimal balance between investments to achieve business growth and efforts to optimize capital efficiency. Practical decisions on dividends are made in line with a dividend policy of maintaining a dividend on equity ratio (DOE) of 3% or higher as an indicator of stable dividends, based on a consideration of actual past dividends. The Company regards the acquisition of treasury stock as an effective means of providing returns to shareholders and makes related decisions dynamically, based on a consideration of matters such as trends in business performance and stock markets.

Dividends of surplus for the fiscal year ended March 31, 2026, were 55 yen per share (including an interim dividend of 27 yen per share), based on the above basic policy on returns to shareholders.

10. Other significant matters concerning the current state of the Group

No noteworthy matters in this regard emerged during the current consolidated fiscal year.

II Stock

1. **Number of shares authorized for issue** **800,000,000 shares**
2. **Total shares issued and outstanding** **221,229,476 shares**
3. **Number of shareholders** **55,827**
4. **Ten largest shareholders**

Name	Investment in SEGA SAMMY HOLDINGS	
	Shares held	Shareholding ratio (%)
HS Company	41,168,000	20.11
The Master Trust Bank of Japan, Ltd. (trust account)	23,626,800	11.54
STATE STREET BANK AND TRUST COMPANY 505001	14,681,219	7.17
FSC LLC	13,682,840	6.68
Custody Bank of Japan, Ltd. (trust account)	9,469,700	4.62
Hajime Satomi	4,178,638	2.04
Haruki Satomi	3,921,261	1.91
STATE STREET BANK AND TRUST COMPANY 505103	3,716,283	1.81
THE BANK OF NEW YORK MELLON 140044	3,093,428	1.51
RBC IST 15 PCT NON LENDING ACCOUNT - CLIENT ACCOUNT	2,820,710	1.37

Note: Calculations of shareholding ratios exclude treasury stock (16,585,035 shares).
 Calculations exclude from treasury stock Company shares held in officer remuneration BIP trust accounts (49,370 shares) and Company shares held in stock-granting ESOP trust accounts (1,930,142 shares).

5. Other important stock-related matters

- (1) Acquisition of treasury stock
 Over the period from May 13 through June 20, 2025, the Company acquired 3,818,600 shares of treasury stock at a total price of ¥11,999 million through market transactions, based on resolutions approved in the Board of Directors meetings held May 12, 2025, to acquire treasury stock pursuant to the provisions of Article 156 of the Companies Act of Japan as applied by replacing the provisions stipulated in Article 165 Paragraph 3 of the same law.
 Over the period from February 16 through March 23, 2026, the Company acquired 7,684,100 shares of treasury stock through market transactions at a total cost of ¥19,999 million, based on a resolution approved at the Board of Directors meeting held February 13, 2026.
- (2) Cancellation of treasury shares
 Under a resolution passed by the Company Board of Directors at its meeting held May 12, 2025, pursuant to Article 178 of the Companies Act, the Company cancelled 20,000,000 shares of treasury stock effective May 23, 2025, thereby reducing the value of treasury stock by ¥39,738 million.

III Company Directors

1. Directors (as of March 31, 2026)

Name	Title and areas of responsibility	Important concurrent posts
Hajime Satomi	Chairman (Representative Director)	Honorary Chairman of the Board of SEGA CORPORATION Honorary Chairman of the Board of Sammy Corporation
Haruki Satomi	President and Group CEO (Representative Director) in charge of Public Relations Office	Chairman and CEO (Representative Director) of SEGA CORPORATION Chairman and CEO (Representative Director) of Sammy Corporation
Koichi Fukazawa	Senior Executive Vice President and Group CFO, Director of the Board	Director of the Board of SEGA CORPORATION, Director of the Board of Sammy Corporation Chairman and CEO (Representative Director) of SEGA SAMMY CREATION INC.
Shuji Utsumi	Director of the Board	President and COO (Representative Director) of SEGA CORPORATION
Ayumu Hoshino	Director of the Board	President and COO (Representative Director) of Sammy Corporation
Kohei Katsukawa	Director of the Board	
Melanie Brock	Director of the Board	CEO of Melanie Brock Advisory Ltd. Outside Director of Mitsubishi Estate Co., Ltd. Outside Director, Member of the Board of Kawasaki Heavy Industries, Ltd. Outside Director, Asahi Group Holdings, Ltd.
Fujiyo Ishiguro	Director of the Board	External Director, Mitsui & Co., Ltd.
Ankur Sahu	Director of the Board	Representative Director, Kyoto Pacific Capital, Inc.

Name	Title and areas of responsibility	Important concurrent posts
Hiroshi Ishikura	Director (Standing Audit & Supervisory Committee Member)	Audit & Supervisory Board Member of SEGA CORPORATION Audit & Supervisory Board Member of Sammy Corporation Audit & Supervisory Board Member of SEGA SAMMY CREATION INC.
Kazutaka Okubo	Director (Audit & Supervisory Committee Member)	President and Representative Director of Okubo Associates Inc. Outside Director of LIFULL Co., Ltd. Outside Director of SALA Corporation Outside Director (Audit & Supervisory Committee Member) of Musashi Seimitsu Industry Co., Ltd. Outside Director of Sun Frontier Fudousan Co., Ltd. (Audit & Supervisory Committee Member)
Naoko Murasaki	Director (Audit & Supervisory Committee Member)	President and Representative Director of Nobligier Co., Ltd. Outside Director of Sansei Landic Co., Ltd.
Makiko Ushijima	Director (Audit & Supervisory Committee Member)	Of Counsel, Jones Day Tokyo

- Notes:
1. The seven Directors (Kohei Katsukawa, Melanie Brock, Fujiyo Ishiguro, Ankur Sahu, Kazutaka Okubo, Naoko Murasaki, and Makiko Ushijima) are External Directors of the Board as stipulated in Article 2, Paragraph 15, of the Companies Act.
 2. The Company has submitted to the Tokyo Stock Exchange notification of the seven Directors (Kohei Katsukawa, Melanie Brock, Fujiyo Ishiguro, Ankur Sahu, Kazutaka Okubo, Naoko Murasaki, and Makiko Ushijima) as Independent Directors.
 3. The Company has appointed a Standing Audit & Supervisory Committee Member who chairs the Audit & Supervisory Committee and is responsible for auditing from the independent, objective perspective of an External Director and Audit & Supervisory Committee Member. The Standing Audit & Supervisory Committee Member is charged with reporting to the Audit & Supervisory Committee on the results of reviews of important documents and the state of business execution by Directors, executive officers, and employees, in cooperation with the Corporate Auditors and internal audit sections of Group companies.
 4. Standing Audit and Supervisory Committee Member Hiroshi Ishikura offers expertise in corporate management and financial accounting through audit work as a certified public accountant and his experience as a director in charge of management divisions at a business corporation. Since joining the Company, he has been in charge of the internal audit, internal control, and CSR departments. He currently serves as a corporate auditor of the Group's subsidiaries.
 5. Audit and Supervisory Committee Member Kazutaka Okubo offers many years of audit experience as a certified public accountant and high expertise in finance and accounting.
 6. The Company has adopted an executive officer system to accelerate decision-making, strengthen oversight of business execution, and reinforce business execution functions. The Company has 10 executive officers. One, Koichi Fukazawa, serves concurrently as a Director of the Board. The other nine do not serve concurrently as Directors of the Board (Yukio Sugino, Senior Executive Vice President, in charge of Group Licensing Division, Managing Director of the Group Licensing Division; Hideo Yoshizawa, in charge of General Corporate Administration Division, Legal & Intellectual Property Division, and Risk Governance Division; Makoto Takahashi, in charge of Corporate Planning Division and Human Resources Development Division; Yoichi Owaki, in charge of Finance & Accounting Division and IT Solutions Division, Managing Director of the Finance &

Accounting Division; Takaharu Kato, Managing Director of the IT Solutions Division; Hironobu Otsuka, Managing Director of the Public Relations Office; Koji Takeyama, Managing Director of General Corporate Administration Division and Risk Governance Division; Yukio Kawasaki, Managing Director of the Internal Audit Division; and Natsue Ishida, Managing Director of the Legal & Intellectual Property Division).

7. At the Ordinary General Meeting of Shareholders held June 25, 2024, Kiyotaka Kunihiro was appointed a Substitute Audit & Supervisory Committee Member as stipulated in Article 329, Paragraph 3, of the Companies Act. The appointment accounts for the potential absence of a Director and Standing Audit & Supervisory Committee Member.

2. Executive compensation

(1) Total amounts of executive compensation

Category	Payees	Total remuneration amount (millions of yen)	Total amounts by type of remuneration (millions of yen)			
			Base remuneration	Bonuses	Post-delivery restricted stock-based remuneration	
					Performance share units (PSU)	Restricted stock units (RSU)
Directors (excluding Audit & Supervisory Committee Members)	9	503	594	—	(176)	84
(of which, External Directors)	(4)	(57)	(57)	(—)	(—)	(—)
Directors (Audit & Supervisory Committee Members)	4	71	71	—	—	—
(of which, External Directors)	(3)	(43)	(43)	(—)	(—)	(—)

- Notes:
1. Each of the amounts of bonuses and post-delivery restricted stock-based remuneration represents the amount posted as expenses in the current fiscal year.
 2. As of the end of the current fiscal year, the number of Directors, excluding Audit & Supervisory Committee Members, was nine, including four External Directors. The number of Audit & Supervisory Committee Members, including three External Directors, was four.
 3. The negative figure in performance shares results from the following factors: changes in payment rates based on the degree of achievement of performance targets and the conversion of portions allocated in previous fiscal years based on the share price at the end of the current fiscal year.

(2) Policies on decisions related to details of remuneration for individual Directors

The system of remuneration for Directors (excluding Audit & Supervisory Committee Members and External Directors) is intended primarily to create incentive to strengthen the Group's corporate value and achieve sustained growth. Its basic policy calls for a highly transparent and objective decision-making process.

The policy for decisions on Directors' remuneration and other amounts calls for the Representative Director and President to provide the Independent Advisory Committee with information on matters such as the compensation system and the procedures applied to calculate each compensation type. The Independent Advisory Committee deliberates on and evaluates these details and submits its views to the Representative Director and President. Referring to these opinions, the Representative Director and President consults with the Board of Directors and makes a final decision on the policy for determining amounts of remuneration and other specifics.

Decisions concerning the specifics of Director remuneration are made by the Board of Directors in accordance with the recommendations based on results of deliberations and evaluations by the Independent Advisory Committee.

Based on the basic policy, compensation for Company Directors (excluding Audit & Supervisory Committee Members and External Directors) consists of fixed remuneration, executive bonuses, and post-delivery restricted stock-based remuneration. SEGA CORPORATION and Sammy Corporation have similar compensation structures. Compensation for Company Directors serving concurrently as presidents and executive officers of these two companies is paid based on the executive compensation system of the corresponding company.

Of these, fixed remuneration is paid in fixed monthly amounts representing the total of basic remuneration and role-based remuneration, calculated based on the Company's remuneration table.

Remuneration for External Directors consists solely of fixed remuneration (basic remuneration only) in light of their roles, with the goal of assuring their independence. Amounts are determined by the Board of Directors.

Remuneration for Audit & Supervisory Committee Members consists of fixed remuneration (basic remuneration only) reflecting their duties and their responsibility to audit the execution of

duties throughout the Group. Amounts are deliberated on and determined by the Audit & Supervisory Committee.

(3) Policy on decisions on details and amounts or calculation of performance-linked remuneration, non-monetary remuneration, etc.

Bonuses for Directors are paid as performance-linked remuneration. The amount of a Director's bonus is determined by multiplying fixed compensation by a coefficient determined based on a bonus table that specifies the number of months' pay on which Directors' bonuses are to be based, in light of three factors: adjusted EBITDA, degree to which business plans are achieved, and year-on-year growth.

* No Directors' bonuses are paid if a loss attributable to owners of the parent is recorded.

The evaluation indicator used to calculate Directors' bonuses is adjusted EBITDA, a simple parameter to compare performance with other global enterprises and also an appropriate gauge of the essential earnings potential of a business. In addition, the degree to which business plans are achieved and year-on-year growth are evaluated to determine accountability vis-a-vis announced plans and sustained growth.

Presented below are the targets and actual amounts of the indicators associated with performance-linked remuneration in the current fiscal year.

(Unit: billions of yen)

	FY2025	FY2026		YoY change	vs. business plan
	Actual	Business plans	Actual		
Net sales	428.9	475.0	487.5	58.5	12.5
Adjusted EBITDA	62.2	67.5	16.6	(45.6)	(50.8)

The Ordinary General Meeting of Shareholders held June 25, 2024 approved the abolition of the previous restricted share-based compensation system and the introduction of a post-delivery stock-based compensation system ("System") whereby shares of Company common stock ("the Company's Shares" hereinafter) will be allotted to the Company's Directors (excluding Directors serving as Audit and Supervisory Committee Members and External Directors; "Eligible Directors" hereinafter) after a certain period of time. The goal is to further align long-term interests of the Company's directors with those of its shareholders and to provide incentives to enhance its corporate value over the medium to long term. The total amount of compensation and numbers of shares to be delivered to the Eligible Director(s) during the subject period (defined below) were set to no more than ¥3,600 million and 900,000 shares for performance share ("PSU") and ¥300 million and 75,000 shares per year for post-delivery restricted stock ("RSU"), duly accounting for the scope of the contributions made by the Eligible Director(s) and various other matters.

PSU is a type of stock-based compensation that provides Company shares and cash in amounts calculated based on the extent to which performance targets are achieved for multiple fiscal years corresponding to the period of the Company's medium-term management plan ("Performance Evaluation Period" hereinafter) and the period of service through the first annual shareholders' meeting after the end of the Performance Evaluation Period ("Eligible Period" hereinafter), to be delivered after the end of the Eligible Period. The first Performance Evaluation Period after the introduction of the System is the period of three fiscal years from the fiscal year ended March 31, 2026 to the fiscal year ending March 31, 2027, which corresponds to the period covered by the SEGA SAMMY Group Medium-Term Management Plan ("Mid-term Plan" hereinafter) announced on May 10, 2024.

RSU is a stock-based compensation scheme wherein predetermined numbers of shares of the Company's stock and cash are delivered after a period of three years as compensation for the period of service.

Reference: Policies during the current Medium-term Plan period

(Policy for decisions on allocation)

To be determined by the Company Board of Directors so that the ratio of fixed remuneration, bonuses linked to annual results, and post-delivery restricted stock-based remuneration is roughly 1:1:1 for cumulative remuneration for three fiscal years to be paid or granted if the Medium-term Plan targets are achieved. PSU and RSU ratios during the Medium-term Plan period are 60% PSU (financial KPIs), 20% PSU (future financial KPIs), and 20% RSU.

(Degree of achievement of performance targets)

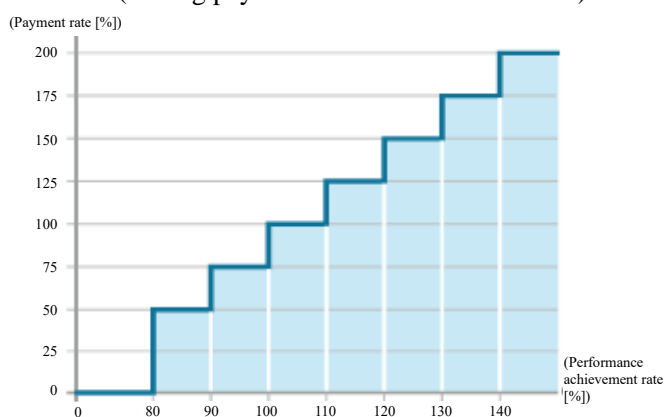
Assessments of performance target achievement are based on final figures after the end of each performance evaluation period. Different payment rates are applied based on the percentage of results achieved in the range of 0–200%. During the current Medium-term Plan period, performance evaluations of subject directors will be based on adjusted EBITDA as a financial KPI and employee engagement score (EMS), multicultural human resources (MCHR), and the percentage of women managers as future financial KPIs.

Should Group consolidated ROE average less than 8% over the three fiscal years of the current Medium-term Plan period, no shares of Company stock will be granted as PSUs and no monetary remuneration will be paid to eligible Directors or Company executive officers.

(KPIs for eligible Company Directors and executive officers and target values)

		0% paid	–	100% paid	–	200% paid	Weight
Financial	Adjusted EBITDA (Three-year cumulative)	Less than ¥184.0 billion	–	¥230.0 billion or more	–	¥322.0 billion or more	100%
	EMS (End of March 2027)	Less than 52.0 (BB)	–	58.0 (A) or above	–	67.0 (AAA) or above	50%
Future financial	MCHR (End of March 2027)	Less than 720 persons	–	900 or more persons	–	1,260 or more persons	30%
	Percentage of women managers (End of March 2027)	Less than 6.4%	–	8.0% or above	–	11.2% or above	20%

(Setting payment rates for financial KPIs)



Performance achievement rate	Payment rate
<80%	0%
80% –	50%
90% –	75%
100% –	100%
110% –	125%
120% –	150%
130% –	175%
140% +	200%

(4) Resolutions of the General Meeting of Shareholders concerning remuneration for Directors

Resolutions of the General Meeting of Shareholders concerning remuneration for Company Directors were made on the following dates:

- Remuneration for Directors (excluding Audit & Supervisory Committee Members) is limited to no more than ¥1,700 million (including ¥100 million for External Directors) under a resolution passed in the Ordinary General Meeting of Shareholders held June 22, 2022. At the time of this resolution, the Company had eight Directors (three of whom were External Directors; excluding Audit & Supervisory Committee Members).

- Remuneration for Audit & Supervisory Committee Members is limited to no more than ¥100 million under a resolution passed in the Ordinary General Meeting of Shareholders held June 22, 2022. At the time of this resolution, the Company had four Audit & Supervisory Committee Members.
- Separately to the above remuneration for Directors, the Ordinary General Meeting of Shareholders held June 25, 2024 approved the introduction of a post-delivery stock-based compensation system for eligible Directors whereby total compensation and numbers of shares to be delivered to the eligible Director(s) during the subject period were set to no more than ¥3,600 million and 900,000 shares for PSU and ¥300 million and 75,000 shares per year for RSU remuneration, duly accounting for the scope of the contributions made by the Eligible Director(s) and various other matters. The number of eligible Directors at the time of approval of this resolution was three persons.

3. Liability limitation agreements

The Company Articles of Incorporation stipulate that the Company may enter into agreements with Directors, excluding executive Directors and similar parties, that limit their liability for damages.

Summarized below are the agreements on liability limitations concluded under the Articles of Incorporation by the Company with its Directors, excluding executive Directors and similar parties.

(Overview of Liability Limitation Agreement)

Liability to provide compensation for damages under Article 423, Paragraph 1, of the Companies Act is limited to the minimum liability provided by law, except in cases of malicious intent or gross negligence.

4. Executive liability insurance policy

The Company has concluded with an insurer an executive liability insurance policy naming Directors, Corporate Auditors, and managerial employees of the Company and its subsidiaries as the insured. The Company and its subsidiaries bear the cost of all premiums on this insurance policy for all insured persons.

(Overview of the executive liability insurance policy)

This policy covers compensation for damages and legal defense costs borne by the insured in cases such as litigation with third parties, shareholders' representatives, or other companies. However, the policy incorporates measures to avoid impediments to the proper performance of duties by executives by exempting from compensation damages due to malicious intent or gross negligence.

5. External Directors

(1) Relations between the Company and important concurrent posts of External Directors

No conflict of interests exist between the Company and the important concurrent posts of External Directors shown under "III Company Directors: 1. Directors (as of March 31, 2026)."

(2) Main activities in the current fiscal year

Category	Name	Main activities
External Director	Kohei Katsukawa	Attended 13 of 13 Board of Directors meetings during the fiscal year (12 of 12 regular meetings); made recommendations to ensure the validity and fairness of decision-making by the Board by offering opinions based on his wealth of experience and broad-ranging insights through a long career serving primarily as an executive.

Category	Name	Main activities
External Director	Melanie Brock	Attended 13 of 13 Board of Directors meetings during the fiscal year (12 of 12 regular meetings); made recommendations to ensure the validity and fairness of decision-making by the Board by offering opinions based on her wide-ranging experience and extensive track record, primarily as an international business leader.
External Director	Fujiyo Ishiguro	Attended 13 of 13 Board of Directors meetings during the fiscal year (12 of 12 regular meetings); made recommendations to ensure the validity and fairness of decision-making by the Board in various ways, including offering opinions based on a wealth of knowledge of corporate management and IT/digital transformation (DX) fields.
External Director	Ankur Sahu	Attended 10 of 13 Board of Directors meetings during the fiscal year (nine of 12 regular meetings); made recommendations to ensure the validity and fairness of decision-making by the Board in various ways, including offering opinions on investment cases based on business investment experience and a global perspective.
External Director (Audit & Supervisory Committee Member)	Kazutaka Okubo	Attended 13 of 13 Board of Directors meetings during the fiscal year (12 of 12 regular meetings); made recommendations to ensure the validity and fairness of decision-making by the Board in various ways, including offering opinions based on a long career of auditing as a certified public accountant, highly specialized knowledge of finance and accounting, and wealth of knowledge regarding governance. Attended 13 of 13 meetings of the Audit & Supervisory Committee during the fiscal year; engaged in various activities, including exchange of opinions on audit results and discussions of important matters related to audits.
External Director (Audit & Supervisory Committee Member)	Naoko Murasaki	Attended 13 of 13 Board of Directors meetings during the fiscal year (12 of 12 regular meetings); engaged in various activities, including making recommendations to ensure the validity and fairness of decision-making by the Board in various ways, including offering opinions based on highly specialized capabilities in the fields of global risk and governance and an extensive knowledge of governance. Attended 13 of 13 meetings of the Audit & Supervisory Committee during the fiscal year; engaged in various activities, including exchanging opinions on audit results and engaging in discussions of important matters related to audits.

Category	Name	Main activities
External Director (Audit & Supervisory Committee Member)	Makiko Ushijima	<p>Attended 13 of 13 Board of Directors meetings during the fiscal year (12 of 12 regular meetings); made recommendations to ensure the validity and fairness of decision-making by the Board in various ways, including offering multifaceted opinions based on her insights as an attorney specializing in international corporate law and a wealth of experience with finance, negotiations for mergers and acquisitions, and governance and compliance at global enterprises.</p> <p>Attended 13 of 13 meetings of the Audit & Supervisory Committee during the fiscal year; engaged in various activities including exchange of opinions on audit results and discussions of important matters related to audits.</p>

(3) Total amount of remuneration for External Directors

	Payees	Total amount of remuneration	Executive remuneration from subsidiaries included at left
Total amount of remuneration for External Directors	7	100 million yen	- million yen

Consolidated balance sheet

(Unit: millions of yen)

Item	FY2026 (as of March 31, 2026)	Item	FY2026 (as of March 31, 2026)
Assets		Liabilities	
Current assets	374,711	Current liabilities	109,147
Cash and deposits	153,366	Notes and accounts payable - trade	17,448
Notes and accounts receivable - trade and contract assets	67,576	Short-term borrowings	7,500
Securities	509	Accrued expenses	25,761
Merchandise and finished goods	14,051	Income taxes payable	11,460
Work in process	78,486	Contract liabilities	18,330
Raw materials and supplies	18,454	Provision for bonuses	10,267
Income taxes receivable	2,541	Provision for directors' bonuses	382
Other	40,306	Provision for point card certificates	46
Allowance for doubtful accounts	(581)	Provision for loss on litigation	1,014
Noncurrent assets	252,677	Asset retirement obligations	25
Property, plant and equipment	51,063	Other	16,910
Buildings and structures	20,866	Noncurrent liabilities	163,273
Machinery, equipment and vehicles	2,539	Bonds payable	10,000
Amusement machines and facilities	1,532	Long-term borrowings	124,500
Land	13,715	Long-term income taxes payable	45
Construction in progress	1,269	Lease obligations	4,943
Other	11,140	Deferred tax liabilities	11,142
Intangible assets	80,111	Provision for stock compensation	2,518
Goodwill	14,568	Net defined benefit liability	5,247
Trademark right	45,313	Asset retirement obligations	2,497
Other	20,229	Other	2,378
Investments and other assets	121,502	Total liabilities	272,420
Investment securities	53,384	Net assets	
Long-term loans receivable	9,335	Shareholders' equity	311,096
Lease and guarantee deposits	1,774	Capital stock	29,953
Net defined benefit assets	13,514	Capital surplus	29,819
Deferred tax assets	30,615	Retained earnings	297,607
Other	13,000	Treasury stock	(46,282)
Allowance for doubtful accounts	(124)	Accumulated other comprehensive income	43,596
Total assets	627,388	Valuation difference on available- for-sale securities	2,576
		Deferred gains or losses on hedges	1,543
		Revaluation reserve for land	(1,109)
		Foreign currency translation adjustment	37,950
		Remeasurements of defined benefit plans	2,635
		Share acquisition rights	243
		Non-controlling interests	31
		Total net assets	354,967
		Total liabilities and net assets	627,388

Note: Figures presented are rounded down to the nearest million yen.

Consolidated statements of income

(Unit: millions of yen)

Item	FY2026 (April 1, 2025 - March 31, 2026)	
Net sales		487,542
Cost of sales		272,132
Gross profit		215,409
Selling, general and administrative expenses		168,280
Operating income		47,128
Non-operating income		
Interest income	3,268	
Dividends income	281	
Equity in earnings of affiliates	5,402	
Gain on investments in partnership	661	
Foreign exchange gains	1,022	
Other	1,460	12,098
Non-operating expenses		
Interest expenses	2,655	
Commission fee	148	
Settlement payments	624	
Loss on investments in partnership	794	
Loss on retirement of noncurrent assets	295	
Other	502	5,021
Ordinary income		54,205
Extraordinary income		
Gain on sales of noncurrent assets	7	
Gain on sales of investment securities	841	
Other	2	852
Extraordinary losses		
Loss on sales of noncurrent assets	0	
Impairment loss	54,627	
Loss on valuation of investment securities	851	
Loss on business restructuring	1,991	
Other	1,370	58,841
Loss before income taxes		3,783
Income taxes - current	16,274	
Income taxes - deferred	(14,306)	1,968
Loss		5,752
Profit attributable to non-controlling interests		4
Loss attributable to owners of parent		5,756

Note: Figures presented are rounded down to the nearest million yen.

Non-consolidated balance sheet

(Unit: millions of yen)

Item	FY2026 (as of March 31, 2026)	Item	FY2026 (as of March 31, 2026)
Assets		Liabilities	
Current assets	160,201	Current liabilities	259,633
Cash and deposits	102,420	Current portion of long-term borrowings	7,500
Accounts receivable - trade	1,404	Accounts payable - other	1,013
Prepaid expenses	681	Accrued expenses	904
Short-term loans receivable from subsidiaries and affiliates	52,102	Deposits received	248,441
Accounts receivable - other	1,826	Provision for bonuses	357
Other	1,766	Other	1,416
Noncurrent assets	389,513	Noncurrent liabilities	166,556
Property, plant, and equipment	8,509	Bonds payable	10,000
Buildings	4,185	Long-term borrowings	124,500
Structures	731	Long-term deposits received	26,775
Machinery and equipment	14	Deferred tax liabilities	1,178
Vehicles	10	Provision for stock compensation	2,518
Tools, furniture and fixtures	1,772	Provision for retirement benefits	497
Land	1,794	Asset retirement obligations	611
Intangible assets	1,182	Other	475
Software	1,014	Total liabilities	426,189
Other	168	Net assets	
Investments and other assets	379,822	Shareholders' equity	120,153
Investment securities	12,551	Capital stock	29,953
Shares of subsidiaries and affiliates	271,672	Capital surplus	29,945
Investments in capital of subsidiaries and affiliates	1,049	Legal capital surplus	29,945
Long-term loans receivable from subsidiaries and affiliates	89,651	Retained earnings	106,560
Long-term loans receivable	136	Other retained earnings	106,560
Long-term accounts receivable - other	1,835	Retained earnings brought forward	106,560
Long-term prepaid expenses	284	Treasury stock	(46,304)
Other	2,648	Valuation and translation adjustments	3,127
Allowance for doubtful accounts	(7)	Valuation difference on available-for-sale securities	1,583
		Deferred gains or losses on hedges	1,543
		Share acquisition rights	243
Total assets	549,714	Total net assets	123,525
		Total liabilities and net assets	549,714

Note: Figures shown in millions of yen have been rounded down to the nearest million.

Non-consolidated statement of income

(Unit: millions of yen)

Item	FY2026 (April 1, 2025 - March 31, 2026)	
Operating revenue		
Consulting fee income	10,639	
Shared service income	4,701	
Dividends income	21,193	36,534
Operating expenses		
Selling, general, and administrative expenses	16,213	16,213
Operating income		20,320
Non-operating income		
Interest income	4,600	
Dividends income	158	
Gain on investments in partnership	646	
Other	616	6,022
Non-operating expenses		
Interest expenses	4,727	
Interest on bonds	38	
Commission fee	148	
Loss on investments in partnership	735	
Loss on valuation of derivatives	944	
Foreign exchange losses	1,454	
Other	466	8,515
Ordinary income		17,827
Extraordinary income		
Gain on sales of investment securities	761	
Gain on reversal of subscription rights to shares	2	764
Extraordinary losses		
Loss on sales of investment securities	0	
Loss on valuation of investment securities	851	
Loss on valuation of shares of subsidiaries and affiliates	182	
Other	0	1,034
Income before income taxes		17,557
Income taxes - current	(938)	
Income taxes - deferred	(522)	(1,460)
Net income		19,018

Note: Figures shown in millions of yen have been rounded down to the nearest million.

Independent Auditor's Report

May 11, 2026

To the Board of Directors of SEGA SAMMY HOLDINGS INC.:

KPMG AZSA LLC
Tokyo Office, Japan

Masahiro Sasaki
Designated Limited Liability Partner
Engagement Partner
Certified Public Accountant

Takeharu Kirikae
Designated Limited Liability Partner
Engagement Partner
Certified Public Accountant

Tomoaki Murakami
Designated Limited Liability Partner
Engagement Partner
Certified Public Accountant

Opinion

We have audited the consolidated financial statements, which comprise the consolidated balance sheet, the consolidated statement of income, the consolidated statement of changes in net assets and the related notes of SEGA SAMMY HOLDINGS INC. (“the Company”) and its consolidated subsidiaries (collectively referred to as “the Group”) as at March 31, 2026 and for the year from April 1, 2025 to March 31, 2026 in accordance with Article 444-4 of the Companies Act.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position and the results of operations of the Group for the period, for which the consolidated financial statements were prepared, 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 Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements of public interest entities 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 its supplementary schedules. Management is responsible for the preparation and presentation of the other information. The audit and supervisory committee are responsible for overseeing the directors' performance of their duties with regard to the design, implementation and maintenance of the reporting process for 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 and supervisory committee for the Consolidated Financial Statements

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

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

The audit and supervisory committee are responsible for overseeing the directors' performance of their duties with regard to the design, implementation and maintenance of the Group's financial 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. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in Japan will always detect a material misstatement when it exists. 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 our 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. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, while the objective of the audit is not to express an opinion on the effectiveness of the 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 the 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 the Group to cease

to continue as a going concern.

- Evaluate whether the presentation and disclosures in the consolidated financial statements are in accordance with accounting standards generally accepted in 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.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purpose of the group audit. We remain solely responsible for our audit opinion.

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

We also provide the audit and supervisory committee with a statement that we have complied with relevant ethical requirements regarding independence, and 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.

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 Group which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

Notes to the Reader of Independent Auditor's Report:

The Independent Auditor's Report herein is the English translation of the Independent Auditor's Report as required by the Companies Act for the conveniences of the reader.

Independent Auditor's Report

May 11, 2026

To the Board of Directors of SEGA SAMMY HOLDINGS INC.:

KPMG AZSA LLC
Tokyo Office, Japan

Masahiro Sasaki
Designated Limited Liability Partner
Engagement Partner
Certified Public Accountant

Takeharu Kirikae
Designated Limited Liability Partner
Engagement Partner
Certified Public Accountant

Tomoaki Murakami
Designated Limited Liability Partner
Engagement Partner
Certified Public Accountant

Opinion

We have audited the financial statements, which comprise the balance sheet, the statement of income, the statement of changes in net assets and the related notes, and the accompanying supplementary schedules (“the financial statements and the accompanying supplementary schedules”) of SEGA SAMMY HOLDINGS INC. (“the Company”) as at March 31, 2026 and for the year from April 1, 2025 to March 31, 2026 in accordance with Article 436-2-1 of the Companies Act.

In our opinion, the financial statements and the accompanying supplementary schedules referred to above present fairly, in all material respects, the financial position and the results of operations of the Company for the period, for which the financial statements and the accompanying supplementary schedules were prepared, 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 Accompanying 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 of public interest entities 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 its supplementary schedules. Management is responsible for the preparation and presentation of the other information. The audit and supervisory committee are responsible for overseeing the directors' performance of their duties with regard to the design, implementation and maintenance of the reporting process for the other information.

Our opinion on the financial statements and the accompanying supplementary schedules 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 and the accompanying supplementary schedules, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the accompanying supplementary schedules 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 and supervisory committee for the Financial Statements and the Accompanying Supplementary Schedules

Management is responsible for the preparation and fair presentation of the financial statements and the accompanying 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 financial statements and the accompanying supplementary schedules that are free from material misstatement, whether due to fraud or error.

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

The audit and supervisory committee are responsible for overseeing the directors' performance of their duties with regard to the design, implementation and maintenance of the Company's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the financial statements and the accompanying 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. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in Japan will always detect a material misstatement when it exists. 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 accompanying supplementary schedules.

As part of our 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 accompanying 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. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, while the objective of the 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

[English Translation of Convocation Notice Originally Issued in the Japanese Language]

report to the related disclosures in the financial statements and the accompanying 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 in the financial statements and the accompanying supplementary schedules are in accordance with accounting standards generally accepted in Japan, the overall presentation, structure and content of the financial statements and the accompanying supplementary schedules, including the disclosures, and whether the financial statements and the accompanying supplementary schedules represent the underlying transactions and events in a manner that achieves fair presentation.

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

We also provide the audit and supervisory committee with a statement that we have complied with relevant ethical requirements regarding independence, and 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.

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 Reader 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 & Supervisory Committee's Audit Report

The Audit & Supervisory Committee has audited the performance of the duties of Directors during the fiscal year from April 1, 2025, through March 31, 2026. The method and results of this audit are reported below.

1. Audit methods and details

In addition to receiving periodic reports on the details of Board of Directors resolutions concerning the matters stipulated in Article 399-13, Paragraph 1, item 1, b and c of the Companies Act, and reports on the structure and operational status of systems developed based on such resolutions (internal controls systems) from Directors, employees, and others, as well as requesting explanations and offering opinions, as necessary, the Audit & Supervisory Committee used the following methods to carry out its audit:

- (i) In cooperation with the Company's internal controls sections, we attended important meetings, received reports from Directors, employees, and others concerning the performance of their duties; solicited explanations, as necessary, and viewed important decision-making documents and other materials in order to assess the status of operations and finances at the head office and important business sites in accordance with the audit policies, division of responsibilities, and other provisions established by the Audit & Supervisory Committee. At subsidiaries, we worked to achieve shared understanding and exchanged information with Directors, Corporate Auditors, and other subsidiary personnel and reviewed business reports from subsidiaries as necessary.
- (ii) In addition to monitoring and verifying the independent status of and appropriate discharge of the audit responsibilities of the accounting auditor, we received reports from the accounting auditor on the state of the undertaking of its duties, and solicited explanations, as necessary. We also received from the accounting auditor notification that systems for ensuring the appropriate performance of duties (concerning the items enumerated in the paragraphs under Article 131 of the Corporate Accounting Rules) were maintained in accordance with the Standards for Quality Control of Audits (Business Accounting Council) and solicited explanations as necessary.

We reviewed the business report and its annexed details; the financial statements (balance sheet, statement of income, statement of changes in shareholders' equity, and notes on the financial statements) and their annexed details; and the consolidated financial statements (consolidated balance sheet, consolidated statement of income, consolidated statement of changes in shareholders' equity, and notes on the consolidated financial statements) for the current fiscal year based on the above methods.

2. Audit findings

(1) Findings of the audit of the business report, etc.

- (i) We believe the business report and its annexed details accurately describe the state of the Company in accordance with laws, regulations, and the Articles of Incorporation.
- (ii) We have identified no improper actions or material violations of laws, regulations, or the Articles of Incorporation with regard to the performance of duties of Directors.
- (iii) We believe the resolutions of the Board of Directors concerning the internal controls system to be appropriate. We found no items worthy of note regarding the business report or the performance of the duties of Directors concerning the internal controls system.

(2) Findings of audit of the financial statements and their annexed details

We consider the methods and findings of the audit by KPMG AZSA LLC, the accounting auditor, to be appropriate.

(3) Findings of audit of consolidated financial statements

We consider the methods and findings of the audit by KPMG AZSA LLC, the accounting auditor, to be appropriate.

May 12, 2026

Hiroshi Ishikura

Standing Audit & Supervisory Committee Member

Kazutaka Okubo

Audit & Supervisory Committee Member

Naoko Murasaki

Audit & Supervisory Committee Member

Makiko Ushijima

Audit & Supervisory Committee Member

Audit & Supervisory Committee, SEGA SAMMY

HOLDINGS INC.