

SEGA SAMMY

Management Meeting 2023

Dec. 12 and 13, 2023

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

Agenda



Day 1

Dec. 12, 2023

Presentation

Speaker

- Overview of the Group
Haruki Satomi
Koichi Fukazawa
- Overview of Entertainment Contents Business
Yukio Sugino
- Growth Strategy for the Consumer Area
Shuji Utsumi
- Q&A

Day 2

Dec. 13, 2023

- Overview of Pachislot and Pachinko Machines Business
Haruki Satomi
- Growth Strategy for Pachislot and Pachinko Machines Business
Ayumu Hoshino
- Q&A
- Financial Strategy, Investment in Growth
Koichi Fukazawa
- Q&A

Overview of the Group

SEGA SAMMY HOLDINGS INC.
President and Group CEO, Representative Director

Haruki Satomi

Senior Executive Vice President and Group CFO

Koichi Fukazawa

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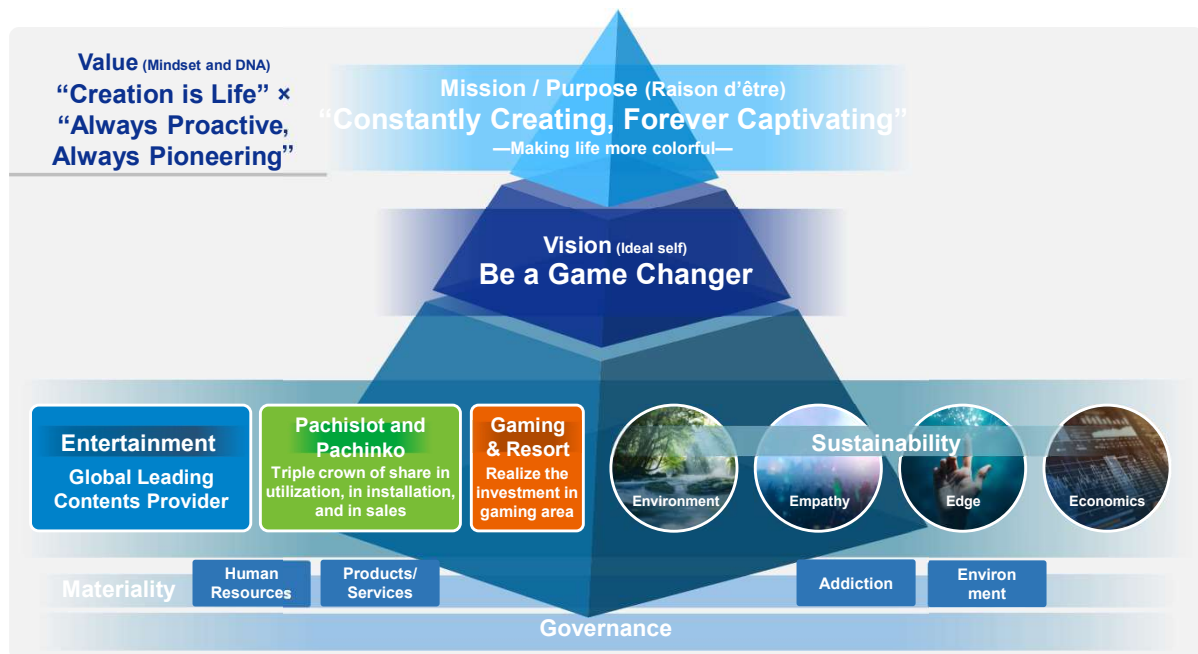
Speaker: Koichi Fukazawa (Senior Executive Vice President and Group CFO, Director of the Board of SEGA SAMMY HOLDINGS INC.)

This is the management meeting for the first time in two years. Thank you very much for your attendance.

This time, the event will be held on two separate days. Today, we will cover the Entertainment Contents business, and tomorrow, we will cover the Pachislot and Pachinko machines business, and financial strategy and investment in growth.

I hope that this explanation will help you deepen your understanding of our company's strategy for the future.

I will now explain the progress, achievements, and challenges of the medium-term plan for the entire Group.



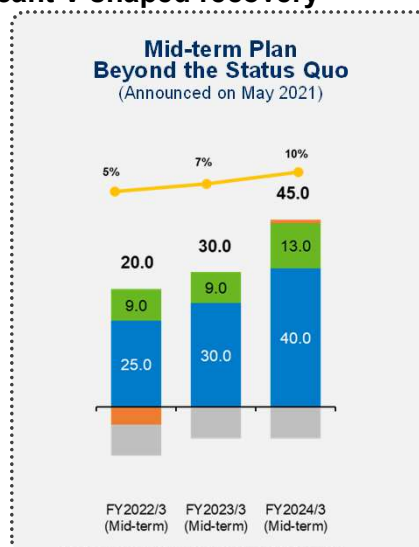
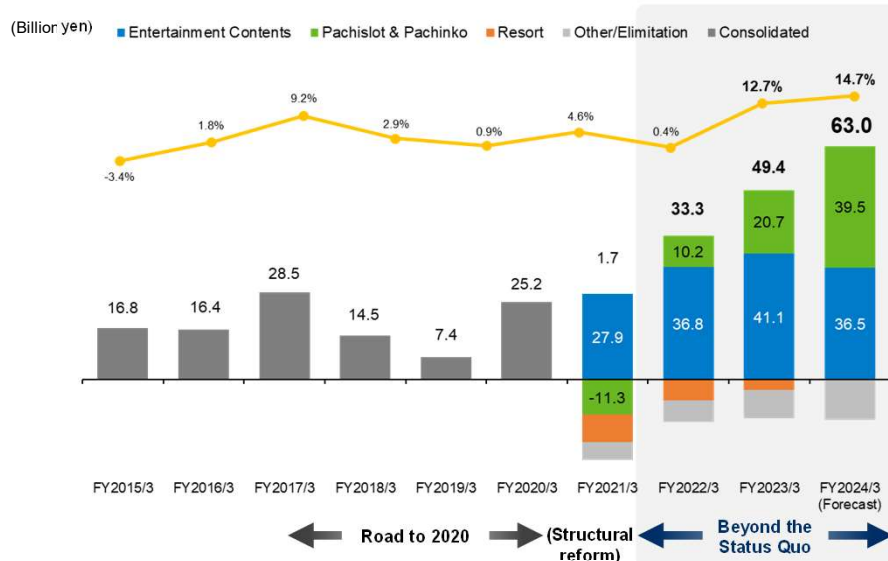
Here is our Group's Mission Pyramid.

Mission/Purpose and vision, also the three business unit strategies remain unchanged from the announcement of our medium-term plan.

Medium-Term Plan: Ordinary Income Trend (FY2015/3-FY2024/3)



Entertainment Contents business drives growth, Pachislot and Pachinko Machines business sees significant V-shaped recovery



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Here is the trend of our ordinary income and ROE during the medium-term plan period.

The Entertainment Contents Business has led the overall growth. On the other hand, Pachislot and Pachinko Machines Business went through a difficult period of structural reform due to the Covid-19, but since then, ordinary income has doubled to 10.0, 20.0, and 40.0 billion yen, and has now fully recovered.

As a result, the ordinary income target for the final year of the medium-term plan was originally set at 45.0 billion yen, but it is expected to land significantly higher than initial plan. On the other hand, issues have become apparent in our European business in the Consumer area, which had been the driver of our business growth, and we need to take immediate action.

Medium-term Plan: Achievements and Challenges

Entertainment Contents Business (Consumer area)	<ul style="list-style-type: none">● Achieved steady profit growth● Issues arise in Europe● IPs managed by Japan studios become strong
Pachislot and Pachinko Machines Business	<ul style="list-style-type: none">● Recovered to stable cash cow business● Pachislot drives earnings recovery● Creation of hit in Smart Pachinko remains a challenge
Group-wide	<ul style="list-style-type: none">● Executed the investments in growth (Rovio, GAN)● Executed the steady shareholder return in accordance with the shareholder return policy

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These are the achievements and challenges of our medium-term plan.

The Entertainment Contents business has been performing well, but we are currently addressing issues that have emerged in Europe, which will be explained in details later. IPs managed by Japan studios are performing well.

Overview of Entertainment Contents Business Summary of the Current Medium-term Plan

SEGA CORPORATION
President and COO, Representative Director
Yukio Sugino

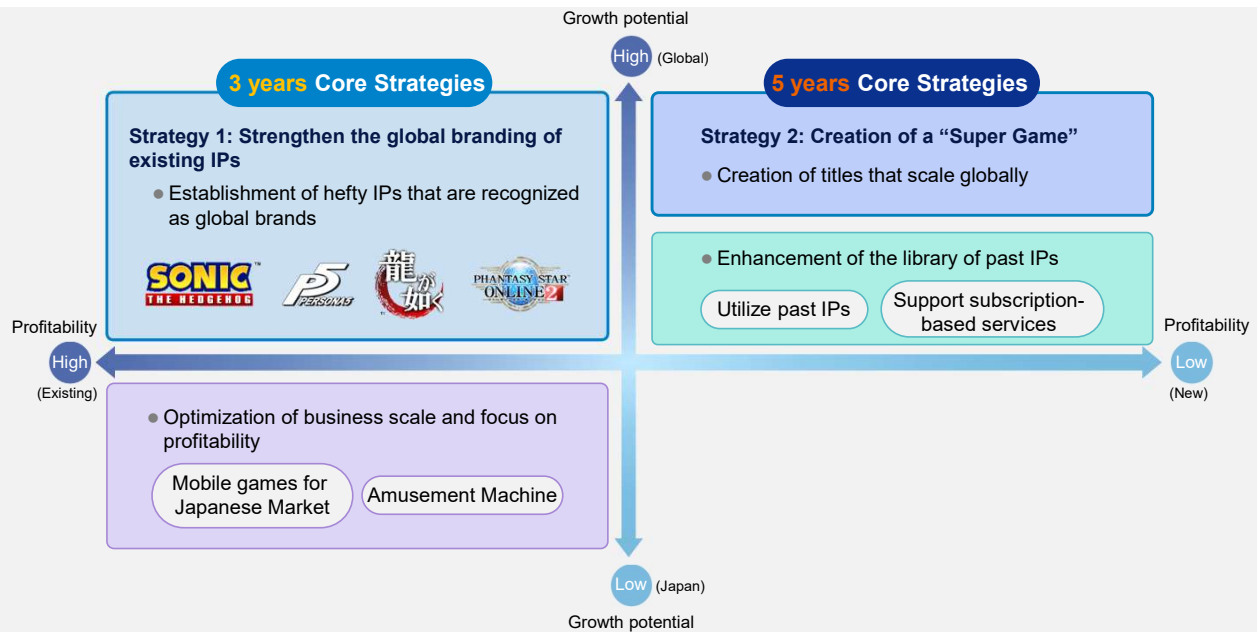
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Speaker : Yukio Sugino (President and COO, Representative Director of SEGA CORPORATION)

This is Sugino. Thank you for taking time out of your busy schedule today.

I would like to review and summarize the current medium-term plan, which is now in its final year.

Strategic Portfolio



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Three years ago, I explained our key strategies for the next three years and for the longer term, five years, in the form of a strategic portfolio.

Strategy 1 is to establish and grow our existing IPs as global brand.

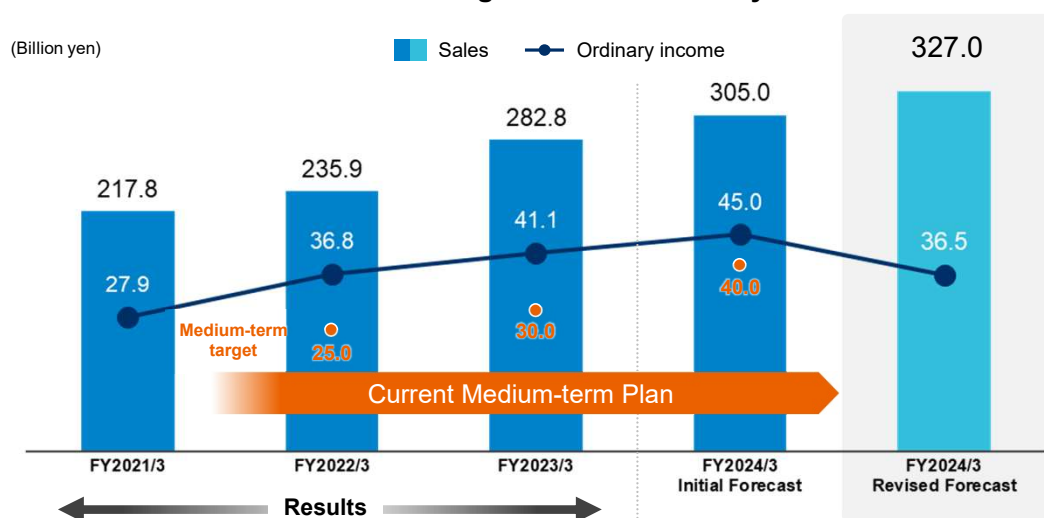
Strategy 2 is a longer-term strategy that aims to create a global-scale title called Super Game. And furthermore, to expand our library of past IPs, we are working to develop titles that leverage past IPs and respond to new business models.

In the lower left quadrant, we have set a policy of optimizing business scale and focusing on profitability, and have been kept the domestic mobile and Amusement Machine area, which are focusing on the domestic market, as the appropriate business size, and not taking on too many challenges.

Performance Trend of the Entertainment Contents Business



**Steady growth in sales and profit in the first and second years of the current medium-term plan
Planned further growth for the third year**



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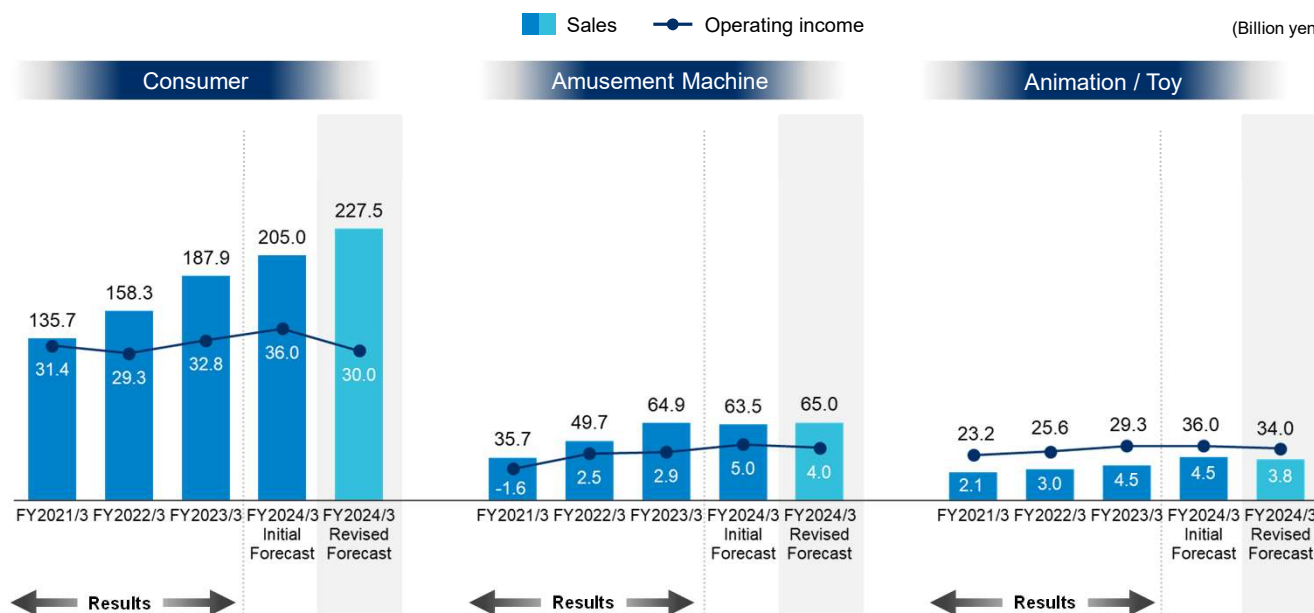
Here is the trend of business performance of Entertainment Contents business.

The current medium-term plan called for ordinary income of 40.0 billion yen for FY2024/3, the final year of the plan. 25.0 billion yen and 30.0 billion yen were the target for the first and second years, respectively, and were achieved smoothly. Then we have set an even higher target than the medium-term plan, which is 45.0 billion yen, as the single year target for the third year, but we are now targeting for 36.5 billion yen as we revised forecast.

Performance Trend by Sub-segment

SEGA Sammy

(Billion yen)



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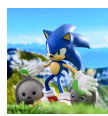
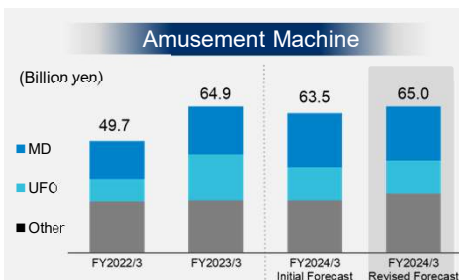
I will break it down by sub-segment.

Regarding the Consumer area, the initial plan for this fiscal year called for operating income of 36.0 billion yen, but the revised plan calls for 30.0 billion yen.

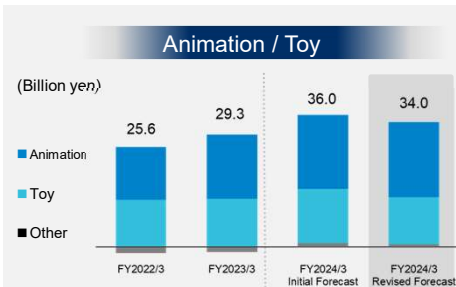
In the Amusement Machine area, during the current medium-term plan period, sales are on a recovery trend due to after-COVID-19 effect. Although it is not a large growth, the situation is such that profits are being generated as the market is recovering. However, it is the same for Toys too, but it has been affected by high costs, including the impact of foreign exchange rates and soaring resource prices, and lowered the operating income from the initial plan in revised forecast.

Animation/Toy area is on an upward trend too, however, while the animation business is performing well, centered on *DETECTIVE CONAN*, the toy business is negatively affected this fiscal year for the same reasons as the Amusement Machine area, and both sales and operating income have been lowered in the revised plan.

Amusement Machine Area, Animation / Toy Area



- Recovery trend from the COVID-19 and seeing steady performance due to favorable conditions in the prizes market
- UFO Catcher (crane game machine), which has the top market share in the industry, and merchandising (MD) deployment with a variety of IPs are the strength of this area



- In the Animation area, the DETECTIVE CONAN film recorded the highest box-office revenue ever in this fiscal year
- Animation of Hanma Baki recorded global No. 1 on Netflix
- Licensing business is expanding

*Approximate calculation

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I will break down the Amusement Machine area and the Animation/Toy area a bit more, and I will also talk about them qualitatively.

Sales of Amusement Machine have been around 65.0 billion yen for the recent two years. The market has been recovering from COVID-19, and the prize market in particular has been strong, showing a strong growth. For SEGA, we have sold the UFO Catcher® series, which has the top share in the industry, and prizes with wide variety of IPs, resulting in steady results.

Animation is also growing steadily, and the box-office revenue of *DETECTIVE CONAN: Black Iron Submarine*, which was released this fiscal year, has reached a record high of over 13.8 billion yen. *Baki Hanma* recorded the global No. 1 position among all Netflix films, albeit temporarily, and we recognize that this will be a catalyst for the global growth of our animation.

In addition, the licensing business is also expanding.

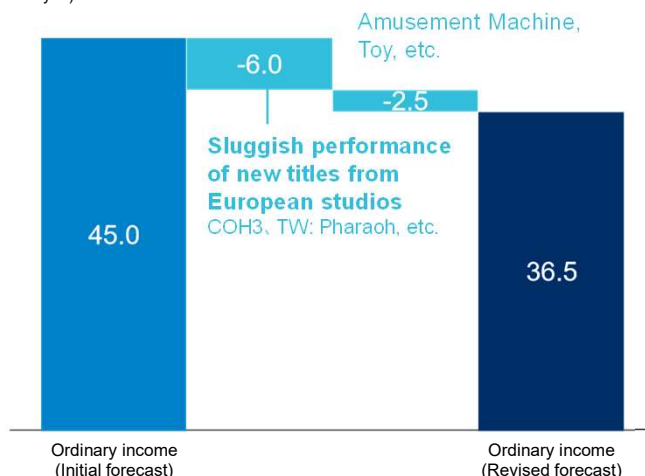


Sales in the Consumer area have been growing steadily, and in the revised plan for FY2024/3, we expect sales to increase by a little less than 30.0 billion yen from the previous fiscal year.

In particular, the mainstay IPs shown in the dark blue area of the bar graph, which has increased from 45.0 billion yen in FY2021/3 to 111.4 billion yen, have led the growth of the Consumer area over the past three years. We believe that our efforts to expand touchpoints through multi-platform and worldwide simultaneous releases have been successful.

Revised the operating results forecast downward mainly due to the slow down of performance in European business

(Billion yen)



- Lower ordinary income by 8.5 billion yen due to sluggish performance of new titles from European studios, etc.
- Factored 12.9 billion yen in the extraordinary losses

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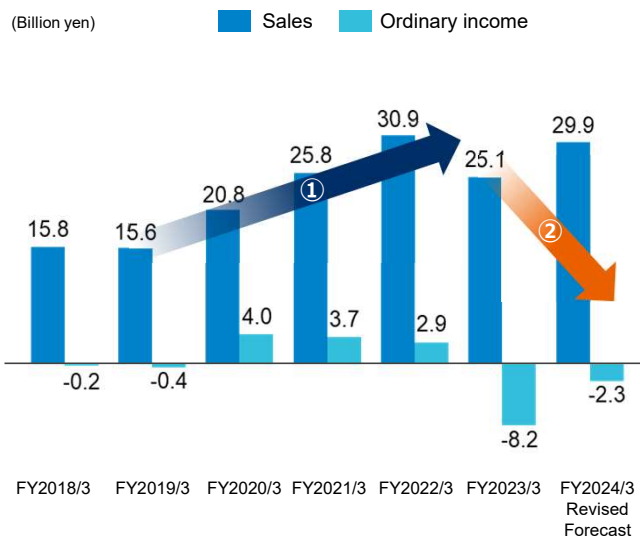
On the other hand, as previously announced, we have revised the ordinary income plan downward for the current fiscal year, mainly due to the sluggish performance of European business.

The initial plan was 45.0 billion yen, but we have lowered it by 6.0 billion yen, due to the sluggish performance of titles such as *Company of Heroes 3* and *Total War: PHARAOH*, which are developed by our European studios. In Amusement Machine and Toy, we have lowered it by 2.5 billion yen, mainly due to the impact of foreign exchange rates. As a result, we lowered it by 8.5 billion yen, and the revised plan for the Entertainment Contents business as a whole calls for ordinary income of 36.5 billion yen.

Furthermore, we have factored in an extraordinary loss of 12.9 billion yen due to the cancellation of some titles developed by our European studios and the implementation of structural reform.

Consumer Area -Factors behind the underperformance in Europe

Performance trend of European Business



Management emphasizing the authority of each studio



1) Earnings expansion phase

- Challenge to expand portfolio (mainly in PC)
- Each studio strengthened its structure
- Development schedule delayed due in part to COVID-19

Deterioration of business environment

(2) Slow down of performance

- Sluggish sales
- Bloated cost

Once again, I would like to discuss the factors behind the slump in our European business, both quantitatively and qualitatively.

From FY2020/3 to FY2022/3, sales were growing steadily. On the other hand, ordinary income was gradually declining as we increased investment to take on new challenges. In FY2023/3, sales were 25.1 billion yen and ordinary income was negative 8.2 billion yen. In current FY2024/3, sales are expected to grow to 29.9 billion yen and ordinary income to negative 2.3 billion yen, due to a large number of new titles. The right side of the slide shows the situation for each period.

For the three years from FY2020/3, each of our IPs in Europe grew steadily. In light of the market trend toward GaaS*, we have decided to manage each IP in a way that development teams are directly connected with users, and we have placed marketing functions close to development, respecting the autonomy of each studio. This is the period of expansion of business performance in (1).

Although the main focus was on PC, each studio took on the challenge of expanding its portfolio. They have augmented its structure with the aim of achieving growth, such as converting to online game and taking on the challenge of new IP. Then COVID-19 occurred, and amidst the forced changes in working methods, development delays and a decline in the quality of titles occurred. The current situation is that we were late in detecting such a crisis.

The deteriorating environment of the European video game market and the decline in the quality of games have resulted in sluggish sales and the costs bloated due to increased personnel. We believe that one of the main reasons for the bloated costs is the lack of sound discussion and lack of proper checks and balances on investment decisions caused by too much respect for the autonomy of the studios.

*Abbreviation for Games as a Service

Overall Picture of Structural Reform in Europe

1

Review of Medium-term Lineup

- Re-evaluate market value of all titles and cancel some titles
- Focus on key European titles and proceed their multiplatform support

2

Optimization of fixed expenses/ Improve investment efficiency

- Streamlining them to an appropriate size for the scale of business

3

Review of development/sales structure and management system

- Establishment of "Chief Revenue Officer"
- Enhancement of development process (quality and marketability assessment with objectivity)
- Comprehensive review of organizational structure

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With those background in mind, we are currently undertaking structural reform in Europe.

Here are three main points we are raising.

The first is a review of our medium-term lineup. Evaluation of the title value had been lead by the development team until now, but we are now reassessing them through the eyes of external checks, and while cancel some titles such as *HYENAS*, titles that we recognize as having value will be strengthened as key titles.

The second point is to optimize fixed expenses and improve investment efficiency. As we reevaluate our titles, we will decide on a new structure, number of titles, and scale of investment, and we will immediately work to optimize the size of the organization in response to that scale.

Third, we will assign a Chief Revenue Officer outside the development studio, a person responsible for the mission of improving profitability. We will also review the development process and the entire European business, as well as the entire value chain, without sanctuary in the organizational structure. We are in the process of working on this as well.

Development of the soil for healthy discussion

Developing a structure to promote healthy discussion, from the perspective centered on studio to include the publishing perspective, and to develop a better business plan

Enhancement of governance

Conduct quality and marketability assessment with objectivity at each milestone in the development process

Make quick decisions to discontinue projects based on the result of these assessments

Let me share with you some of the lessons learned from this incident, and some of the ideas that we will be emphasizing in the future.

The first is to develop the soil for healthy discussions. It is a fact that healthy discussions on a daily basis between Japan and the United States on titles developed by Japanese studios have led to better business plans and increased unit sales. We will transfer those good points to our European studios.

The second is to strengthen governance. Quality and marketability will be evaluated objectively, both quantitatively and qualitatively. As a result, we have not only cancelled projects, but have also increased promotion expenses during the fiscal year, as in the case of *Sonic Frontiers* in the previous fiscal year, which led to sales increase. If there are prospects, we will invest, including maintenance of organization. In other words, we want to strengthen governance.

Proactive Growth Investment

(additional investments of up to 100.0 billion yen over 5 years)

**Strengthen
global mobile area**



Creation of Super Game

Under Development

*Japan studio

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Regarding medium-term growth investments, we have traditionally talked about additional investments of up to 100.0 billion yen over five years. Global mobile is a big market, and we acquired Rovio in order to focus on it.

Super Game is under development. It is being developed in our Japan studio under a different structure than *HYENAS*, with daily communication with the United States.

Summary of the Current Medium-term Plan

- ▶ Several **management issues** raised at Europe, but we will use this as a major source of reflection in the future
- ▶ **Pillar strategy having Japanese studios in center has been successful** and realized significant growth
- ▶ Proactive growth investments led to **acquisition of Rovio**
- ▶ Creation of Super Game cannot be achieved such quickly, but **we now have the structure which allow us to develop it taking enough time** (in other word, we now have stable portfolio in Entertainment Contents business overall)

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This is a summary of the current medium-term plan.

In the European business, there were many management issues, including us, which we will reflect on in the future

The Pillar strategy having Japanese studios in center is going well and we will realize further growth.

In terms of proactive investment for growth, we will work to strengthen our global mobile, with Rovio at the core of our efforts.

The development of Super Game will not happen overnight, but we have established a system which allow us to develop it taking enough time, while incorporating diversity, and we will continue to promote development.

That's all for me. Thank you very much.

Day 1

Dec. 12, 2023

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Growth Strategy for the Consumer Area

SEGA CORPORATION
Co COO, President of Consumer Game and Transmedia
Shuji Utsumi

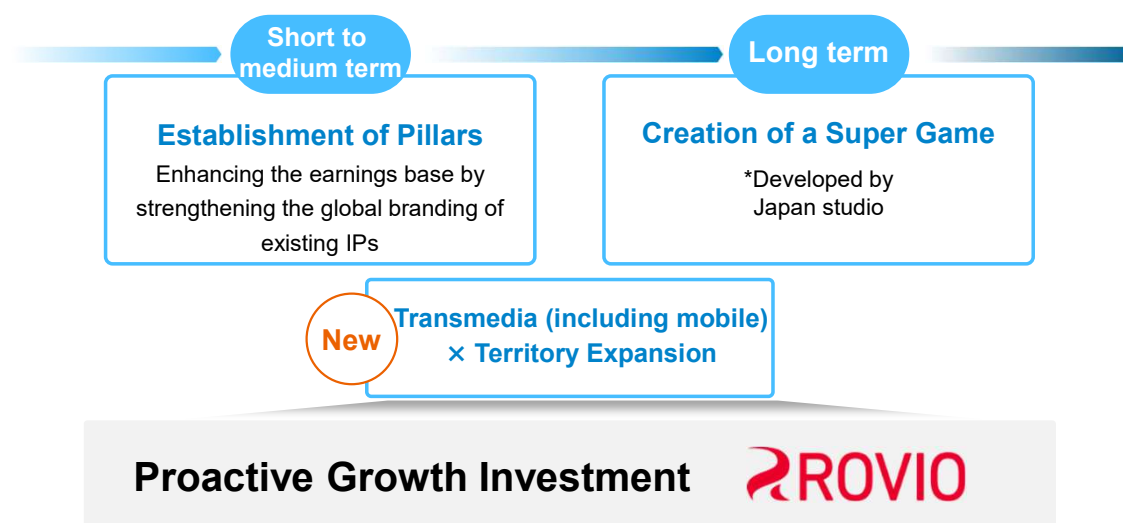
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Speaker : Shuji Utsumi (Co COO, President of Consumer Game and Transmedia of SEGA CORPORATION)

This is Utsumi.

I would like to talk about the direction of growth from the second half of this fiscal year.

Becoming a Global Leading Contents Provider



In the current medium-term plan, we are focusing on making Pillars, which are our mainstay IPs, into a global brand. In addition, we have set the creation of Super Game as a long-term strategic goal and are promoting development led by our Japan studio.

In the future, we will focus on Transmedia and Territory Expansion, including mobile, as a new medium-term strategic axis to realize further growth.

We have grown our "Mainstay IPs" into a global brand



1

Expanding touchpoints

- Multiplatform support
- Territory Expansion
- Multilingual support

2

Prolonging product life cycles

- Utilization of IP assets
- Strengthening digital sales
- Multichannel monetization

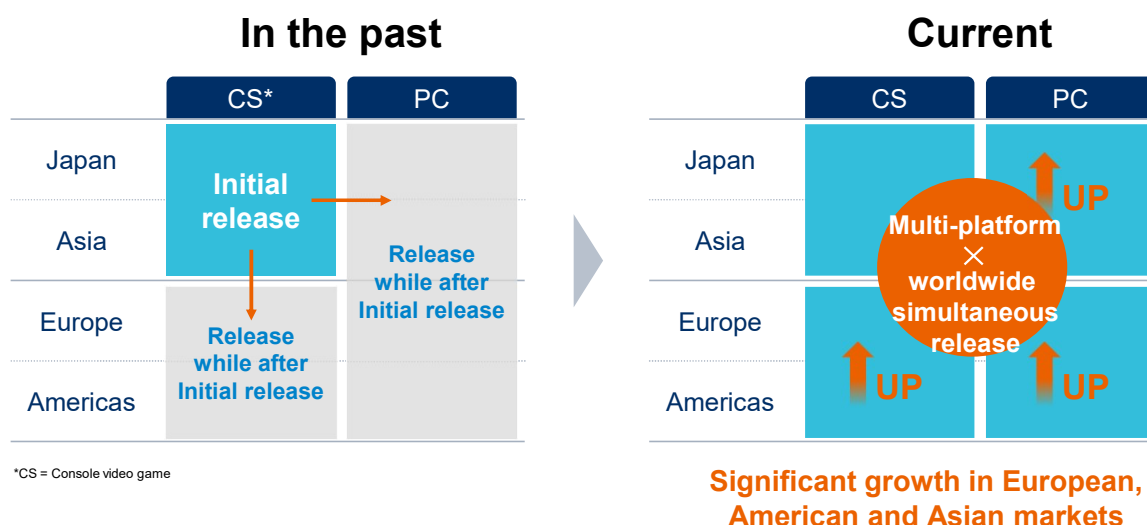
3

Strengthening user engagement

- Community management
- Strengthening mix of media

The Pillar strategy, which is the main component of our current medium-term plan, is to develop our mainstay IPs such as *Sonic*, *Persona*, and *Like a Dragon* into global brands.

Enlarging the roll-out make it possible to foster buzz



In addition to our multi-platform and worldwide simultaneous release efforts, we are also focusing on marketing activities.

We have created a video distribution studio in our office and have opportunities to connect directly with users through social media. Through these activities, we have worked to realize the extension of the lifecycle of our titles and increase user engagement.

The chart here illustrates the effects of our commitment to multi-platform and worldwide simultaneous release.

The left side shows our past efforts. In the past, we first sold games for CS (console video game), in Japan and Asia, and development for PC and sales in Europe and Americas were after that. Currently, sales are increasing by eliminating the time difference by region and platform with releasing the products simultaneously on multi-platforms and worldwide. This has led to the expected result of more effectiveness in the regions where priority was given.

- ▶ Focus on PCs to strengthen sales, **especially in Asia**
- ▶ Enhancement of **publishing system**
- ▶ Enhancement of **multilingual support**
- ▶ Improvement of **global value chain**

These are the focus points in the multi-platform x worldwide simultaneous release initiative.

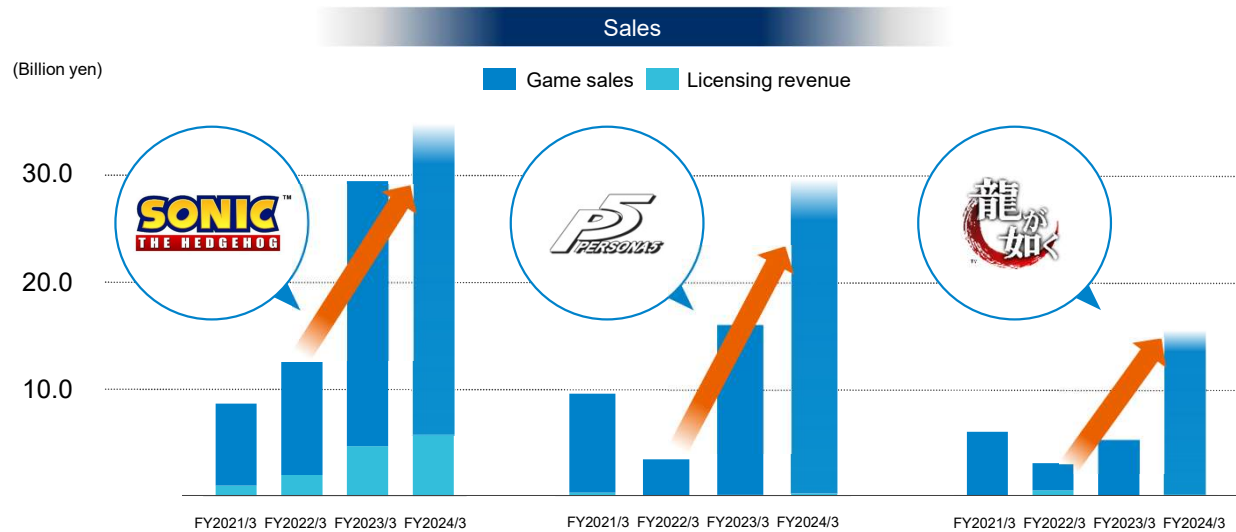
In particular, we have achieved great results in PC for Asian and Chinese markets. We have also strengthened our publishing structure, specifically by establishing a Singapore office and participating in events in various regions where we have not expanded before.

We have also made changes to the value chain in development, for example, by adding legal checks at an early stage and revamping the localization process to make it more efficient.

As a result of these challenges, multi-platform, worldwide simultaneous releases are now the norm at our Japan studio.

(Reference) Expansion of each IP - Sales Trends

Steady growth in mainstay IPs



*Approximate calculation

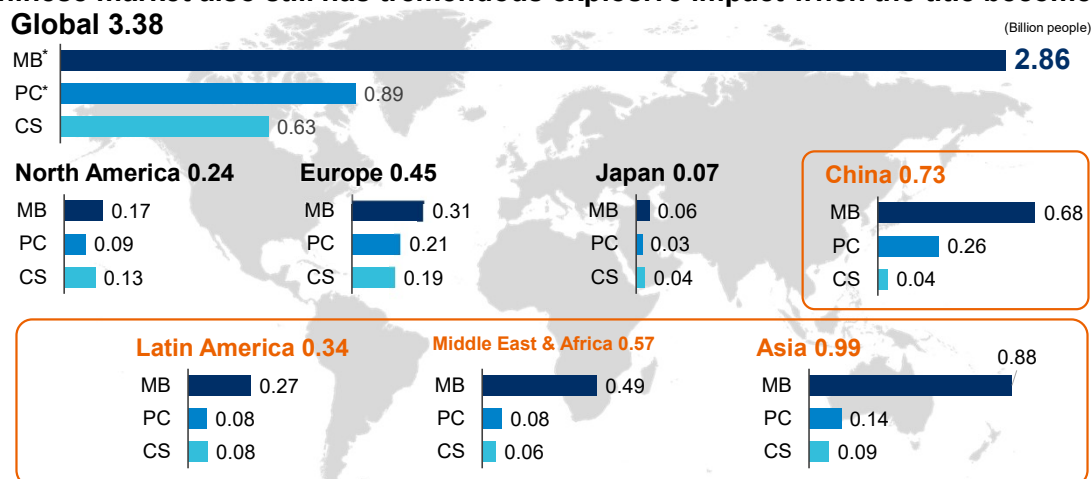
-24-

As a result, sales of our mainstay IPs have grown substantially. Here are rough figures, but they show the value of each IP. Following *Sonic*, the growth of *Persona* and *Like a Dragon* IPs are also remarkable. We believe that the potential of each IP has been revealed through multi-platform and worldwide simultaneous releases.

Number of Global Game Players

Reaching mobile players and players in emerging countries is key to reach 3.0 billion gamers worldwide

The Chinese market also still has tremendous explosive impact when the title becomes a hit



Data source *Newzoo-Global-Games-Market-Data-July-2023* *Asia is the Asia-Pacific region excluding Japan and China. Game players are all those who played games within the past 6 months.
*MB: Mobile, CS: Console video game

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Our long-term vision is to reach 3.0 billion users worldwide.

From this perspective, we have yet to achieve our goal of entering the global mobile market, which has a large user base, expanding our business in China, and capturing other emerging countries as markets.

- ▶ Global mobile gaming market **continues to expand**
- ▶ Acceleration of global roll-out expansion of **Chinese capital**
- ▶ Establishment and expansion of **subscription services led by U.S. capital** (animation ⇄ games, etc.)
- ▶ Service innovation through **new technologies** (AI, cloud gaming, metaverse, etc.)
- ▶ Continuing cross-border **industry restructuring** through large-scale M&A

Our Growth Opportunities

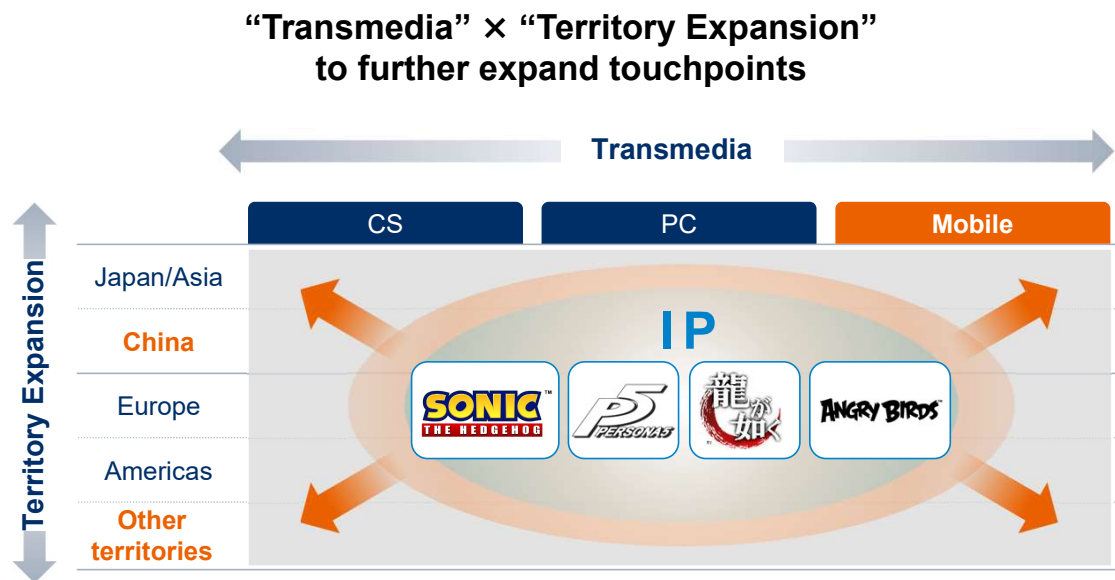
Mobile / China / Transmedia

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In terms of global megatrends, the global mobile market, which accounts for half of the game market, continues to expand, and the global expansion of smartphone titles, especially by Chinese companies, is accelerating.

Digital channels also continue to expand, with companies like Microsoft, Apple, and Netflix, for example, further expanding their subscription services. We think that expanding our services in line with these movements and being flexible to adapt with them will lead to our growth.

In light of these trends, our current keywords for growth are Mobile, Chinese market, and Transmedia.



Here is an illustration of what we have explained so far. We will strengthen our business in China, other territories, and mobile. With the addition of the mobile axis, the IP touchpoints will naturally expand greatly, and we expect business itself to grow as well.

In addition, there are two major themes in mobile.

The first is Rovio's support for SEGA's global mobile expansion, leveraging Rovio's infrastructure to promote SEGA's mobile business worldwide.

The second is to work with Chinese companies to develop the large Chinese market. In terms of regions, we are also looking at India, South America, and the Middle East to expand our business opportunities.

Acquisition of Management Expertise for Mobile Titles Globally (Rovio Acquisition)



Introduction of Beacon



Expansion of SEGA IPs

- Several new *Sonic* titles for mobile are under development



Expansion of Rovio IPs

- PC/Console deployment of Angry Birds IP
- Mutual collaboration/promotion in new and existing titles

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The post merger integration (PMI) with Rovio is also progressing smoothly.

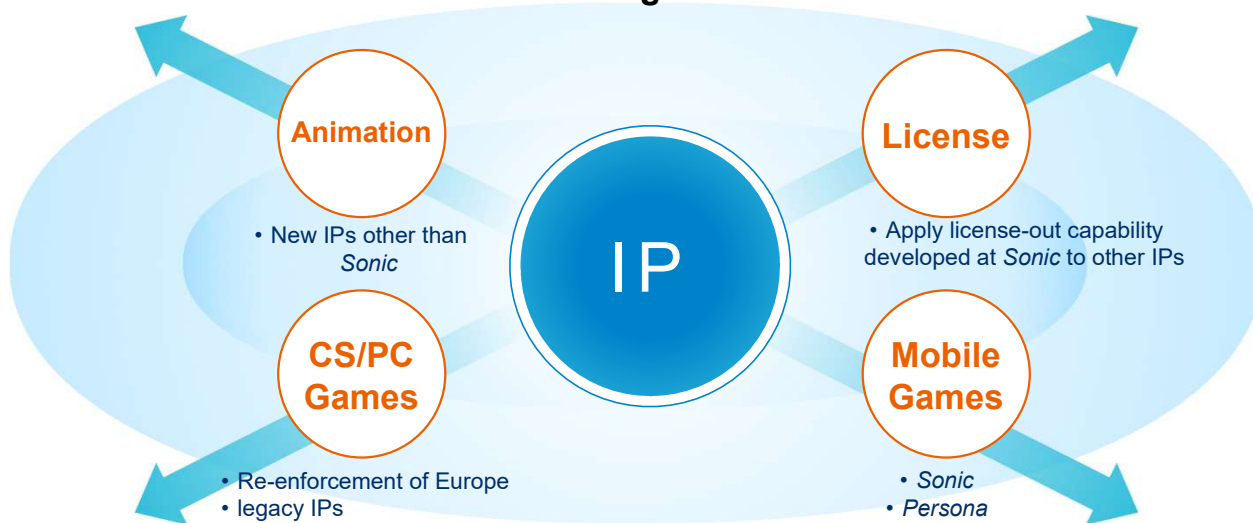
We have begun to absorb Rovio's marketing knowledge by implementing their CRM system "Beacon" into our existing games.

An even bigger initiative is the start of development of a mobile title utilizing *Sonic* IP. We are not at the stage of announcing this yet, but we are hoping to get it into shape quickly, as *Sonic's* Transmedia project is expected to be a tailwind in the future.

We are also preparing various plans to grow the Angry Birds IP, including the development of Angry Birds titles on PC and console, comprehensive promotion of the games at SEGA and Rovio, and Transmedia initiatives.

As a supplement, corporate PMI such as in the finance, legal, and compliance departments is also well underway.

**“Expansion of touchpoints” x “Enhancement of Engagement with Fans”
+ Licensing revenue**



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Another keyword for growth that includes mobile is Transmedia, which I have been mentioning.

The destinations for our IPs are not limited to games. strategy and tactics for Transmedia are to expand various touchpoints, both digital and physical.

The relative cost of user acquisition (UA) has been rising recently, but we believe that increasing the number of touchpoints through Transmedia initiatives will lead to lower UA costs, acquire new users, and increase user engagement in the game which is our core business.

In the Animation area, IPs other than *Sonic* also have a chance to be very successful in the future, and we would like to strengthen this area. In addition to animation, we will also strengthen our licensing business from the perspective of maximizing IP value.

In this way, we believe that Transmedia's effect will be to increase the value of IPs and raising revenues, while giving positive effect to our games, which is our core business, by developing IPs in various fields.



In order to realize each of Transmedia initiatives, collaboration with partners is essential.

SEGA has already established strong relationships with leading players in each area, and we believe that we are a company that can easily build relationships with new partners. In short, we believe that SEGA is one of the few companies in the world with a strong partner base and attractive IPs.

For each Transmedia initiative, SEGA will work with partners like those listed here, without necessarily relying on its own resources outside of the game business. It is very important to work with creative and influential partners who understand our IP, like partner we have worked together on the *Sonic* movie. We believe that the Transmedia strategy will be a potent approach for SEGA to become a key global player in the game industry.

Expanding Global Presence in CS/PC Strengthen brand marketing to expand users across *Persona* brands

Persona 5 series:
Cumulative sales exceed
10 million units



New

Remake



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Remaster



One of the non-*Sonic* IPs that we would like to expand through the Transmedia strategy in the future is the *Persona* IP.

The current growth driver for the *Persona* IP is games for PC and console. We have two major titles in the pipeline for this fiscal year, and we have particularly high expectations for *Persona 3 Reload*, which will be released in February. The current *Persona* IP is mainly games, but we feel that it has the potential to grow significantly as an IP by growth of other areas through Transmedia.



Persona 5: The Phantom X (P5X)

*Launch timing: To be determined

Large scale mobile title in collaboration
with Perfect World Co., Ltd in China

Strategic significance of P5X

- Entering the Chinese market through partnership with Chinese company
- Plan to launch Chinese version

[Persona5: The Phantom X] ©[2023] Perfect World Adapted from Persona5 ©SEGA ©ATLUS

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Specifically, we plan to collaborate with Perfect World Co., Ltd. to develop global mobile of *Persona*.

As it is difficult for us to develop the huge Chinese mobile market alone so we ask Perfect World Co., Ltd. to be a publisher responsible for the procedures and marketing activities necessary to provide services in China. We expect that this kind of mobile development will expand the touchpoints for the *Persona* IP and will also make a certain contribution to our business.



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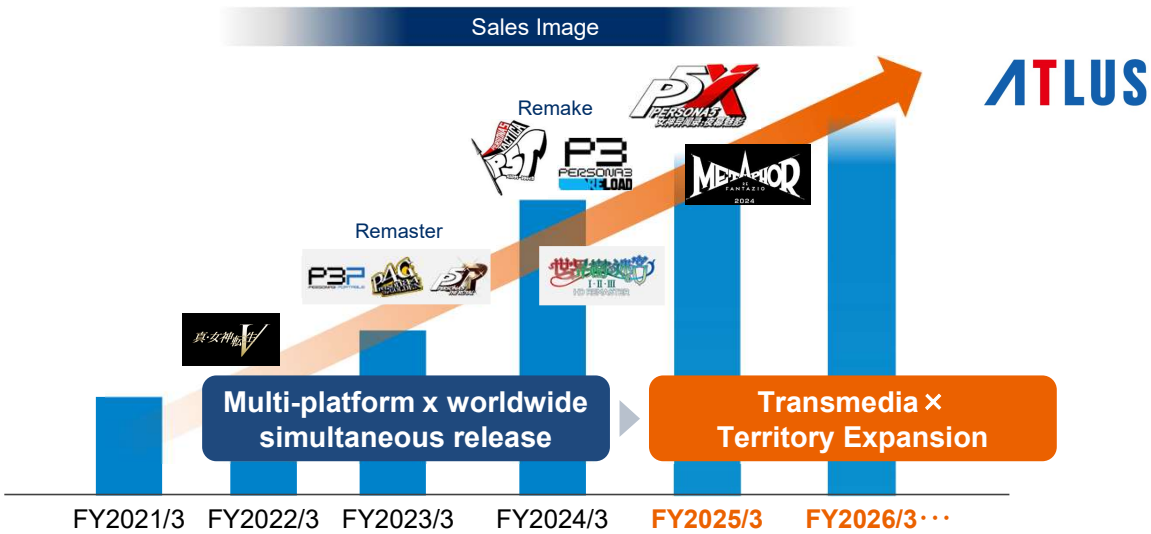
- Launch of new brand by developer of *Persona 3, 4 and 5*
- Multi-platform x worldwide simultaneous launch planned for fall 2024

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In addition, a new Full Game called *Metaphor: ReFantazio* is scheduled for release next year.

This is a new game by the developer of *Persona 3* through *5*, which were the catalyst for the current *Persona* IP breakthrough, and we look forward that this will further enhance the ATLUS brand, using the base of *Persona*. Last week, we showed a movie of the game at "The Game Awards" and received a great response, which gave us a good sense of what to expect.

Aim for further revenue increase along with IP expansion



Through a series of measures we previously described, following on from the *Sonic* IP, we intend to grow the *Persona* IP and the ATLUS brand exponentially in the future.

Future Roll-out of Like a Dragon

While keep utilizing the setting in Japan which is core of the series, transmedia roll-out is also under consideration toward expansion of the IP globally



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Initial release: Japan CS
Later release: Overseas, PC

Worldwide...1.8 million units
Japan ... 0.4 million units
Overseas...1.4 million units



©SEGA

Multi-platform x worldwide simultaneous release

A title connecting the latest mainstream title and *Yakuza: Like a Dragon*, which was the turning point of the series



©SEGA

Multi-platform x worldwide simultaneous release

The stage moves to "Hawaii"

In *Like a Dragon* IP, we are also looking forward to further growth.

We will release two new Full Game titles this fiscal year as well. In the past, sales have been centered on the domestic market, but we have been expanding sales overseas through our multi-platform and worldwide simultaneous release. We will further strengthen our global expansion in those two titles to be released this fiscal year.

Although it may be considered as a title for the domestic market, *Like a Dragon: Infinite Wealth* was nominated in the "Most Anticipated Game" category at the recent "The Game Awards" and is an IP with very high expectations on a global scale.

We are planning various developments in Transmedia as well and will let you all know at the appropriate timing.

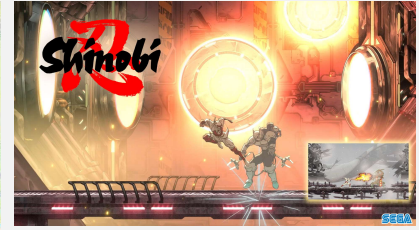
Lore & Innovation



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*All images are under development

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I'm calling SEGA as "Treasure Island", with full of wonderful treasures, and a project is underway to offer a modern remake of some of the best IPs there.

We announced at "The Game Awards" that we are developing new titles related to five of our IPs: *Crazy Taxi*, *Jet Set Radio*, *Shinobi*, *Golden Axe*, and *Streets of Rage*.

The project is based on the keywords "Lore & Innovation" and aims to create games that can be enjoyed by modern gamers too. A very short video was shown at "The Game Awards," which was very well received by the audience and was covered by many media outlets.

We feel that the elements are beginning to come together for our future medium-term growth. We are also considering linking these titles well with Transmedia and Super Game in the future.

We have strong IP assets such as Pillars, which is our mainstay IPs, legacy IPs, and European IPs.

With Transmedia and further regional expansion, we plan to expand the touchpoints of these IPs to accelerate growth. While generating revenue from games, we will also increase user engagement and the value of the games themselves, which are at the center of all our efforts. Our mission is solely to create interesting games. This is the core of our business.

We look forward to future growth opportunities to deliver innovative experiences to our users with Super Game in the long-term, while accelerating our growth through Transmedia and regional expansion.

Thank you for your attention.



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

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