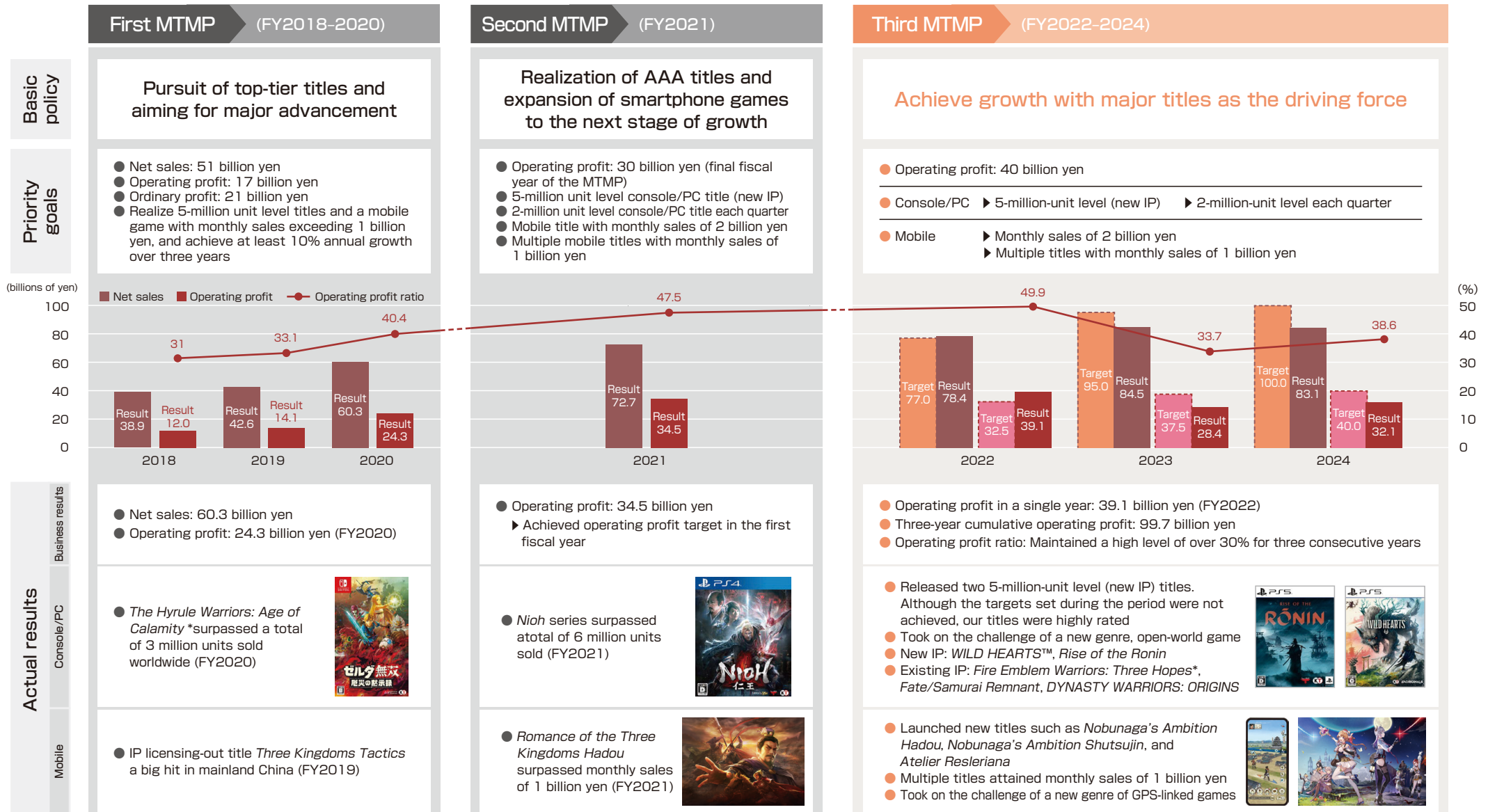


Review of the Medium-Term Management Plan

The Group has achieved sustainable growth by addressing the ever-changing market environment. Beginning with the First Medium-Term Management Plan launched in FY2018, we have steadily produced results, including achieving the Second Management Plan's target operating profit of 30 billion yen ahead of schedule. During the term of the Third Medium-Term Management Plan starting in FY2022, we took on numerous challenges toward our aim of further growth. Leveraging the knowledge we have accumulated to date, we successfully developed our first open-world gaming title as the Group using our in-house developed game engine, KATANA ENGINE™. This technology will be a key advantage in terms of future title development, as well as serving as the foundation for the next phase of growth.

We also focused on enhancing brand recognition in global markets. Promotional activities for *DYNASTY WARRIORS: ORIGINS* included direct engagement with Western media, which helped the *DYNASTY WARRIORS* series, previously centered in East Asia, gain significant attention in the West.



4th Medium-Term Management Plan

Basic policy

Laying the foundation for further growth

Qualitative goals

01 Quantitative growth of the pipeline

We will strive to continuously enhance our development structure with an aim to increase earning opportunities and lay the foundation for sustainable growth, while constantly balancing the pipeline between major and middle-class titles.

02 Qualitative growth of the pipeline

We will strive to enhance quality control across our entire portfolio and for each title, raising their quality to AAA standards and improving their competitiveness and brand value.

03 Growth in sales capability

We will conduct effective marketing campaigns with an eye on the global market to maximize the revenue generated by each title.

04 Growth in cost efficiency

We will enhance cost efficiency through the development structure optimization and the use of generative AI. By making effective use of resources, we will pursue higher profit margins and greater management stability.

Quantitative goals

Three-year cumulative

Operating profit exceeding
100 billion yen
(operating profit ratio exceeding 30%)

Single-year

Operating profit of **40 billion yen**
(operating profit ratio exceeding 30%)

Console/PC

Three-year cumulative sales
exceeding 30 million units

Online/mobile

Net sales
Sales to grow in stages over three years

Three pillars

01 Strengthening the management foundation

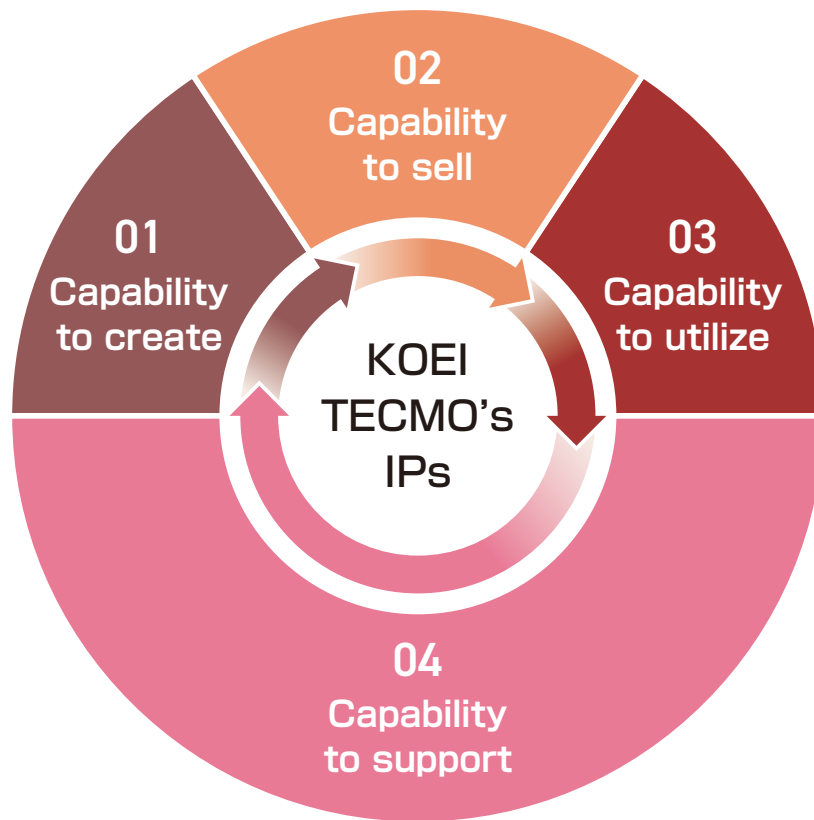
02 Business strategies

03 Cash allocation

▶ P.32

Business strategies

Business segment	Field	Position	Direction
Entertainment business	Console/PC Online/mobile	Growth driver + stable revenue	Enhance capability to create engaging IPs and maximize revenue and value ▶ Business strategies P.37 ▶ Global expansion P.38
	IPs (proprietary/ joint project)	Growth	Apply IPs across a wide range of fields to increase their value ▶ Expansion of IPs P.39
	IPs (operation and licensing-out)	Stable revenue	
Amusement business	Slot and pachinko Amusement facilities	Stable revenue	Achieve 10% growth in mature markets through improvements to existing businesses and new measures, etc. ▶ Amusement and real estate businesses P.40
Real estate business	—		Supporting the Group



4th Medium-Term Management

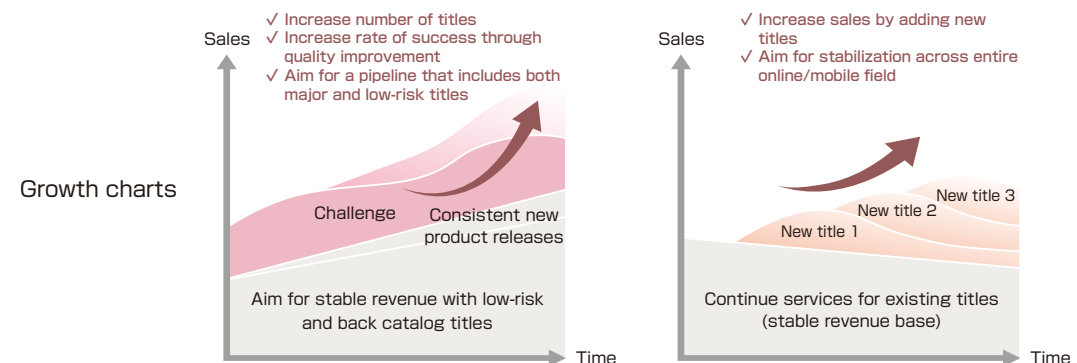
- Base development on platform compatibility
- Reconsider degree of risk-taking after reflecting on the 3rd Medium-Term Management Plan
- Organize product lineup in consideration of balance between major and middle-class titles

Capabilities to be enhanced	Related qualitative goals	Initiatives
Capability to create	Qualitative growth of the pipeline	<ul style="list-style-type: none"> ● Market-driven planning and development ● Capability to create new games utilizing major IPs + capability to create future core IPs
Capability to sell	Growth in sales capability	<ul style="list-style-type: none"> ● Improve marketing and sales strategies ● Enter emerging markets at an early stage
Capability to utilize	Qualitative growth of the pipeline	<ul style="list-style-type: none"> ● Promote wide application of IPs, build business models ● Maximize value of IPs through media franchising
Capability to support	Quantitative growth of the pipeline Growth in cost efficiency	<ul style="list-style-type: none"> ● Enhance development structure, improve creator capabilities ● Innovate production processes utilizing new technologies including AI

Allocating Investment for Game Development

We will further strengthen both console/PC and online/mobile fields as pillars of revenue with the aim of achieving sustainable growth in the entertainment business. Accordingly, we will promote investment in each segment to achieve further growth.

	Console/PC field	Online/mobile field
Policy	Drive growth	Stable revenue
Percentage of development investment*	About 65%	About 35% (of this, existing titles: about 15% / new titles: about 20%)



*Development investment: Calculated from the total amount of major development costs. Head office and other expenses are not included. The percentages are the approximate proportion of investment across the entire game development.

In the 4th Medium-Term Management Plan, we will leverage our overseas bases in strengthening global marketing initiatives. Recognizing the significant potential for further expansion in the European and American markets, we will enhance our marketing and sales strategies primarily at our European and US bases. Each regional base will take the lead in robustly promoting sales strategies centered on region-specific promotion.

Furthermore, we will also actively enter emerging markets with an eye toward future growth. Our development base in Singapore and other teams will conduct detailed research into markets in India and Southeast Asia, as well as strengthening content development optimized to local needs to gain new user bases. The release of several successful PC games in China and other markets has led to greater business opportunities; therefore we will also focus on strengthening in-house publishing systems, for simultaneous multi-platform deployment. We will also establish a mechanism through which sales and development bases collaborate closely to quickly incorporate regional trends, aiming to create titles that gain broad market support.



Media event for *Atelier Yumia: The Alchemist of Memories & the Envisioned Land* in Europe



Autograph signing event for *Romance of the Three Kingdoms 8 Remake* in China



Scene from a Chinese Game Expo



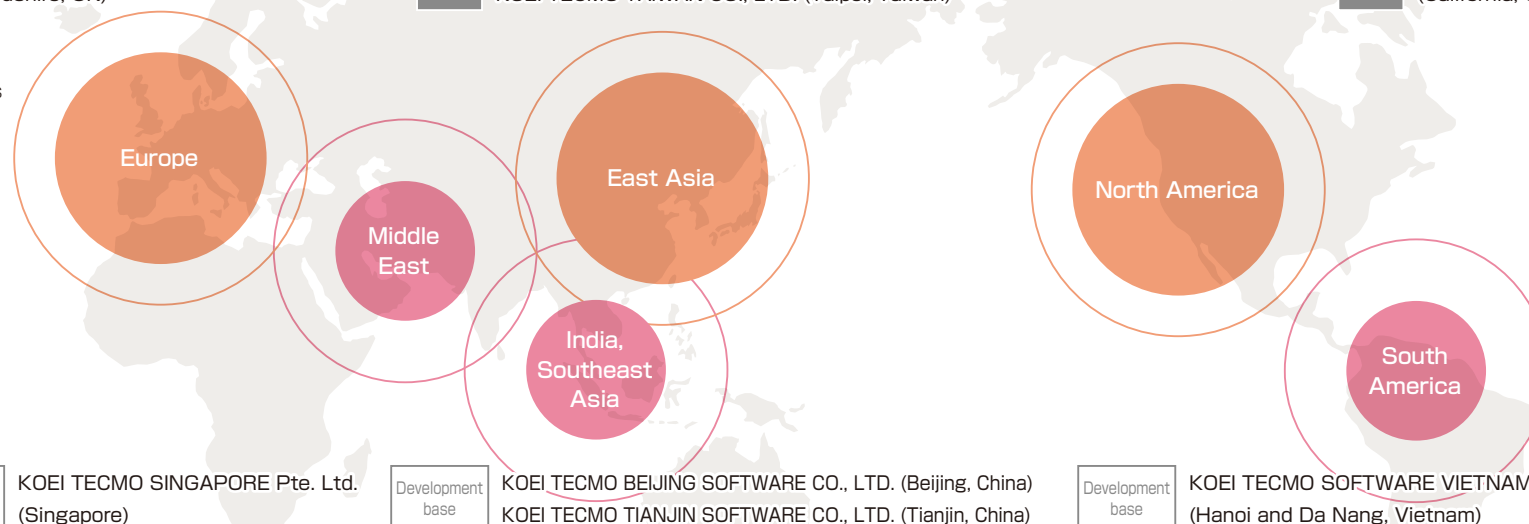
Media event for *DYNASTY WARRIORS: ORIGINS* in the US

Sales base KOEI TECMO EUROPE LIMITED
(Hertfordshire, UK)

Sales base KOEI TECMO SHANGHAI ENTERTAINMENT CO., LTD. (Shanghai, China)
KOEI TECMO TAIWAN CO., LTD. (Taipei, Taiwan)

Sales base KOEI TECMO AMERICA Corporation
(California, US)

● Existing markets
● Emerging markets



KOEI TECMO SINGAPORE Pte. Ltd. office



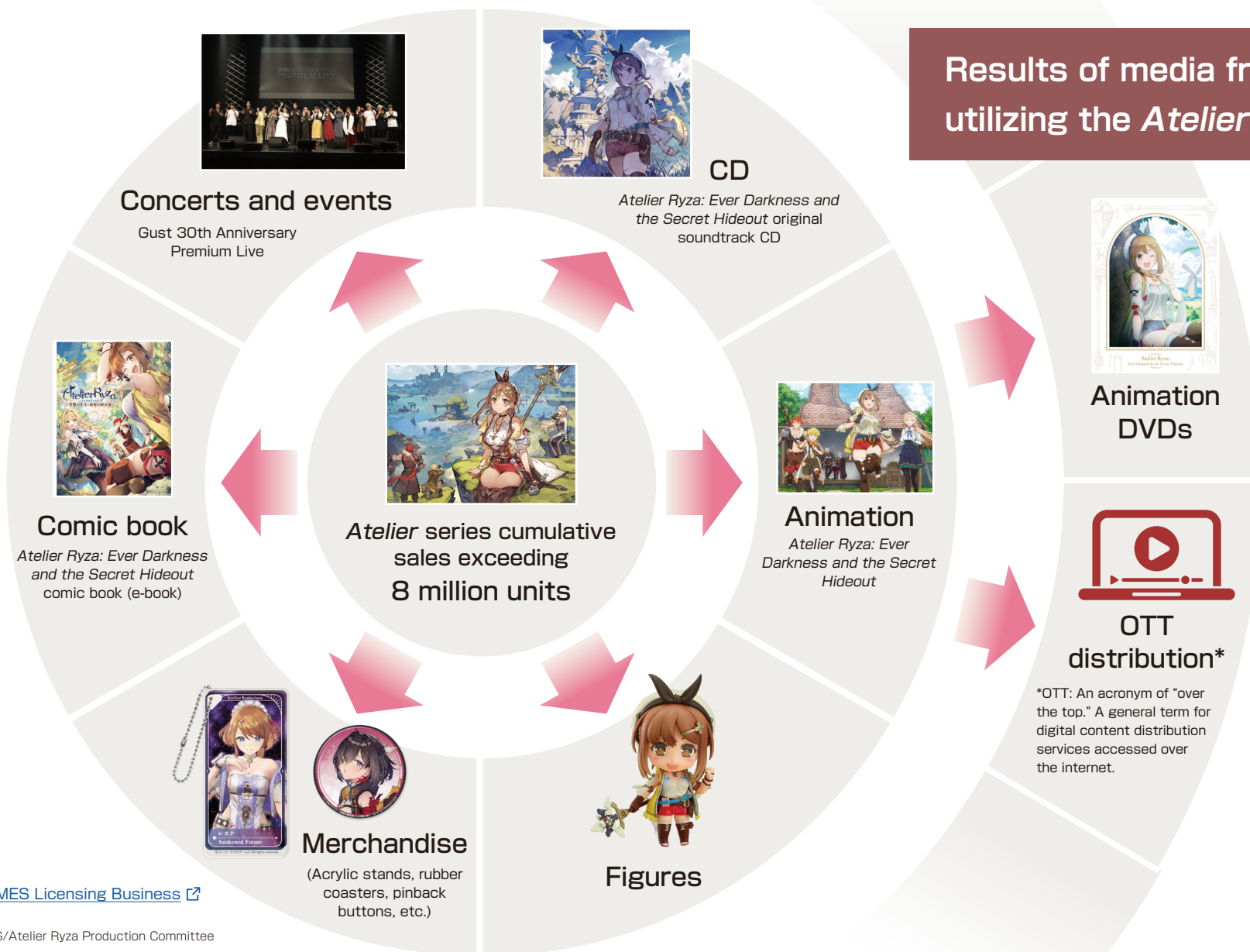
KOEI TECMO BEIJING SOFTWARE CO., LTD. office



KOEI TECMO SOFTWARE VIETNAM CO., LTD. office



One of our key strategies in the 4th Medium-Term Management Plan is the “capability to utilize,” which involves applying IPs across a diverse range of areas outside of gaming. With this strategy, we aim to transcend the boundaries of gaming, maximizing the value of our IPs while at the same time creating new revenue opportunities. Specifically, we are actively promoting media franchising across a varied range of media using the characters and worlds of popular IPs. These include animation and comic book adaptations, stage productions, tourism campaigns, and collaborations with cafes and restaurants. This will increase opportunities for customers to engage with our IPs, deepen existing fan bases, and create chances for people so far unfamiliar with our games to learn about our IPs.



In the 4th Medium-Term Management Plan, we also aim for growth in our amusement and real estate businesses, both of which sustain stable earnings. In the amusement business, we will achieve 10% growth in mature markets through improvements to existing businesses and new measures, etc.

Amusement Businesses

Slot and pachinko business

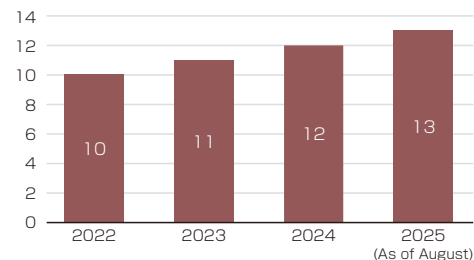
We aim to maximize the use of powerful IPs and CG production capabilities developed by the entertainment business to stabilize the business and further enhance the value of IPs. The Group's leading IPs are widely recognized even by non-gamers; we will leverage this recognition and brand power in growing our market presence. Even in mature markets, we will pursue new revenue opportunities by creating synergies with our gaming business.



Amusement facilities operation business

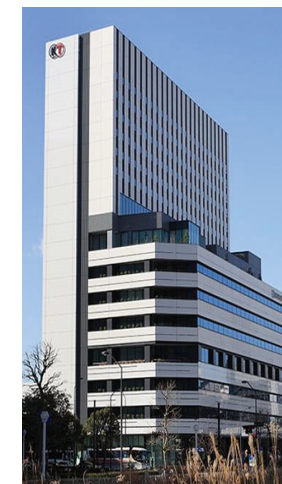
We aim to increase sales by accelerating facility openings. In addition to making improvements to existing operations, we will expand the business by actively opening new facilities. We will also seek to increase profitability through operational efficiency and energy saving initiatives at facilities, along with improving our cost structure.

Change in number of facilities

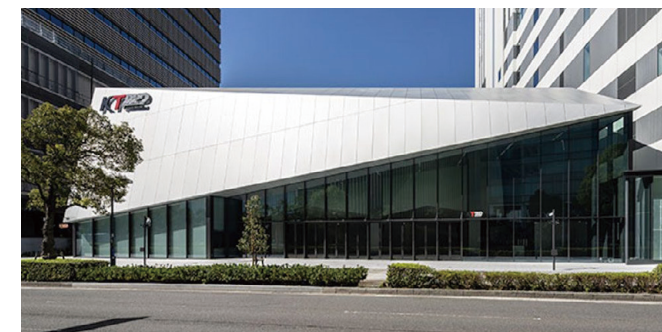


Real Estate Businesses

The business involves managing the live music venue KT Zepp Yokohama and operating and managing rental real estate properties. We are also building offices to support the Group's business expansion, including the KT Building in Yokohama, Kanagawa. The business also enables us to enhance the management of employee dormitories and company housing and establish comfortable working environments for employees, while at the same time supporting management from a real estate perspective.



KT Building in Yokohama's Minato Mirai 21 (Block 47)



KT Zepp Yokohama, operated in partnership with Zepp Hall Network Inc.