

Marvelous Inc.

Stock Code: 7844

(First Section of Tokyo Stock Exchange)

MARVELOUS!

Results Briefing Materials

Fiscal Year Ending March 31, 2022 First Quarter

July 30, 2021

Fiscal Year Ending March 2022, First Quarter Results Summary

Segment Results and Future Initiatives

**Fiscal Year Ending March 2022,
First Quarter Results Summary**

Earnings Highlights (Statement of Profit and Loss)



- Resulted in an increase in sales and profit thanks to the consumer game business being in good shape due to strong sales of new game software, though earnings deteriorated owing to the sales decline for long-term operation titles in the online game business and the impact of the novel coronavirus infection (COVID-19) in the audio & visual businesses.

Unit: million yen	1Q FY ended March 2021		1Q FY ending March 2022		YOY change	
	Actual	Profit ratio	Actual	Profit ratio	(Amount)	(%)
Net Sales	4,668	—	6,473	—	1,804	138.6%
Cost of sales	1,916	—	3,177	—	1,261	165.8%
SGA expenses	1,862	—	1,830	—	-31	98.3%
Thereof advertising expenses	211	—	264	—	52	124.7%
Operating profit	890	19.1%	1,464	22.6%	574	164.6%
Other profit	1	—	9	—	8	873.9%
Ordinary profit	891	19.1%	1,474	22.8%	583	165.5%
Extra ordinary profit/loss	-12	—	0	—	13	—
Income taxes	285	—	400	—	114	140.2%
Profit attributable to owners of parent	593	12.7%	1,074	16.6%	481	181.1%

Segment Results



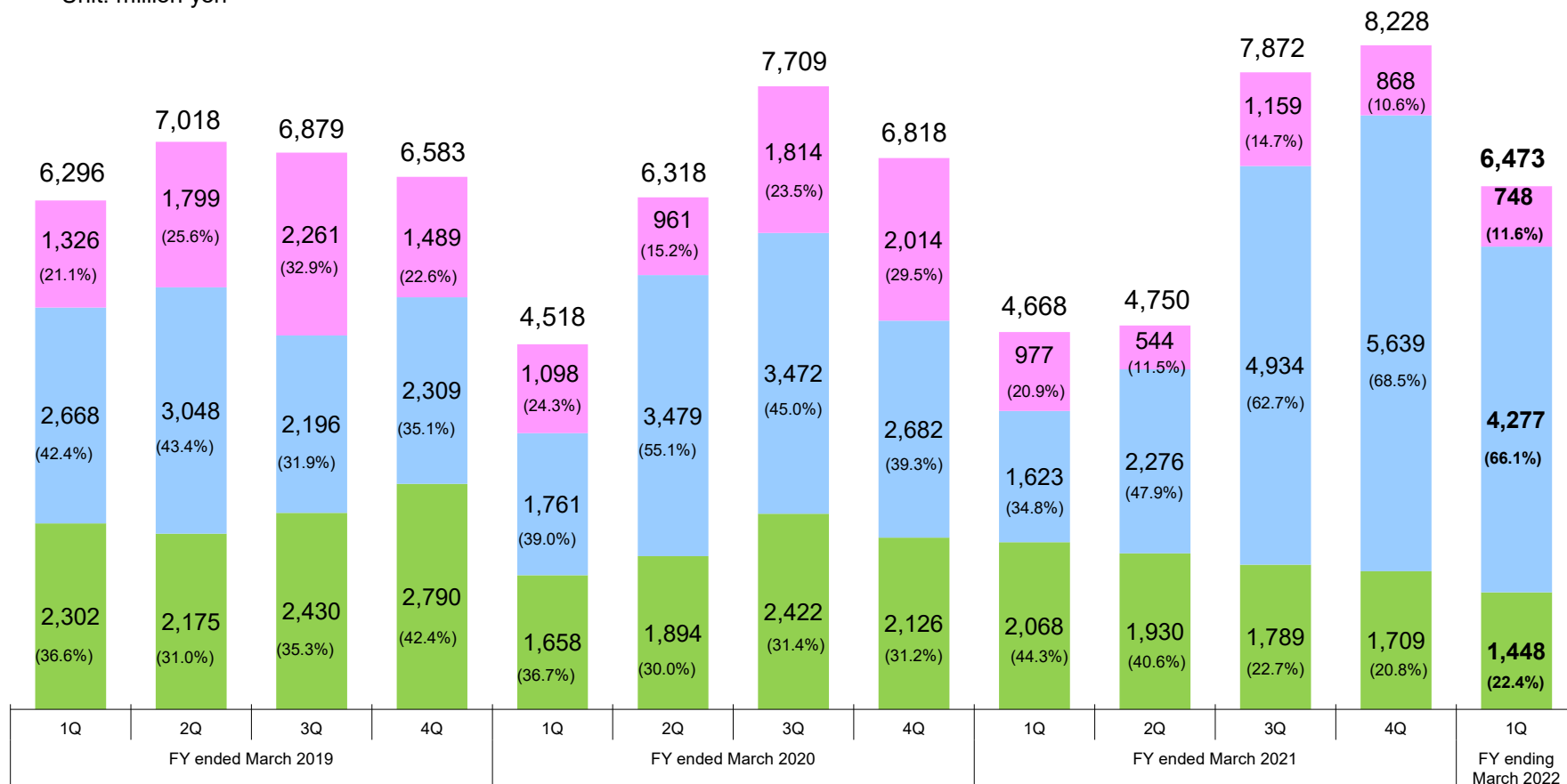
		1Q FY ended March 2021	1Q FY ending March 2022	YOY change	
Unit: million yen		Actual	Actual	(Amount)	(%)
Net sales	Online Game Business	2,068	1,448	-620	70.0%
	Consumer Game Business	1,623	4,277	2,653	263.5%
	Audio & Visual Business	977	748	-229	76.5%
	Total	4,668	6,473	1,804	138.6%
Segment profit	Online Game Business	582	241	-340	41.4%
	Consumer Game Business	442	1,550	1,108	350.7%
	Audio & Visual Business	280	18	-262	6.4%
	Total	1,305	1,809	504	138.7%
Company-level costs, etc.		-414	-344	70	83.1%
Operating profit total		890	1,464	574	164.6%

Development of Net Sales and Operating Profit by Segment (Quarterly)



- Audio & Visual Business
- Consumer Game Business
- Online Game Business

Unit: million yen



Note: Totals may not tally to 100% due to rounding of sales percentages to the first decimal point.

Segment Results and Future Initiatives

Online Game Business: 1Q FY Ending March 2022 Progress Status



[Results Up Until 1Q FY Ending March 2022]

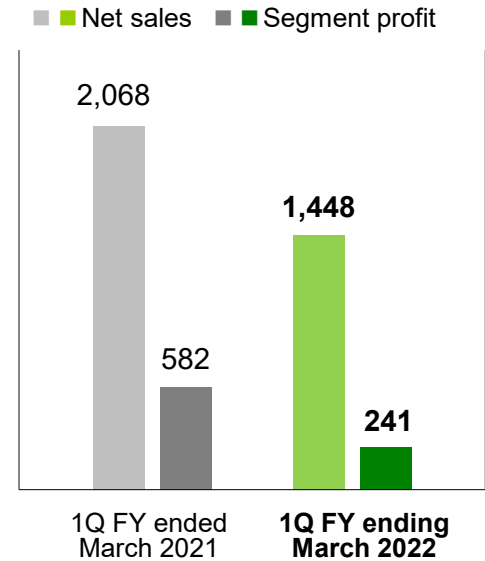
Resulted in a decrease in sales and profit due to a decline in sales due to aging of long-term operation titles and intensifying competition.

[Title Performance]

- Logres of Swords and Sorcery: Goddess of Ancient did not reach the previous term's level despite strong results from collaboration measures in April.
- SHINOVI MASTER -SENTRAN KAGURA NEW LINK- sales declined owing to aging and intensified competition with other companies' titles.

[Title Rollouts]

Unit: million yen



SHINOVI MASTER

-SENTRAN KAGURA NEW LINK-

(Smartphone app)



Launched on Nov. 29, 2017

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©HONEY PARADE GAMES Inc.

Logres of Swords and Sorcery:

Goddess of Ancient

(Smartphone app)



Launched on Dec. 17, 2013

©Marvelous Inc. Aiming Inc.

Browser Sangokushi

(PC Browser)



Launched on Jul. 15, 2009

©Marvelous Inc.

Ikki-Tousen Extra Burst

(Smartphone app)



Launched on May 25, 2020

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WW PARTNERS
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Online Game Business: Initiatives Starting in 2Q FY Ending March 2022

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- The new game app The Thousand Musketeers: Rhodoknight is under active development to start its service this fiscal year.
- Existing titles will be regained by collaboration measures and anniversary events.

The Thousand Musketeers: Rhodoknight

(Smartphone app)



Official service launch day is yet to be determined.

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Logres of Swords and Sorcery: Goddess of Ancient

(Smartphone app)



Puella Magi Madoka Magica The Movie collaboration
July 14–July 28

©Marvelous Inc. Aiming Inc.
©Magica Quartet / Aniplex / Madoka Movie Project
©Magica Quartet / Aniplex / Madoka Movie Project Rebellion

Browser Sangokushi

(PC Browser)



The 12-year anniversary campaign
July 15–

©Marvelous Inc.

SHINOVI MASTER -SENTRAN KAGURA NEW LINK-

(Smartphone app)



Hyakka Ryōran collaboration:
July 16–August 1

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Consumer Game Business: 1Q FY Ending March 2022 Progress Status

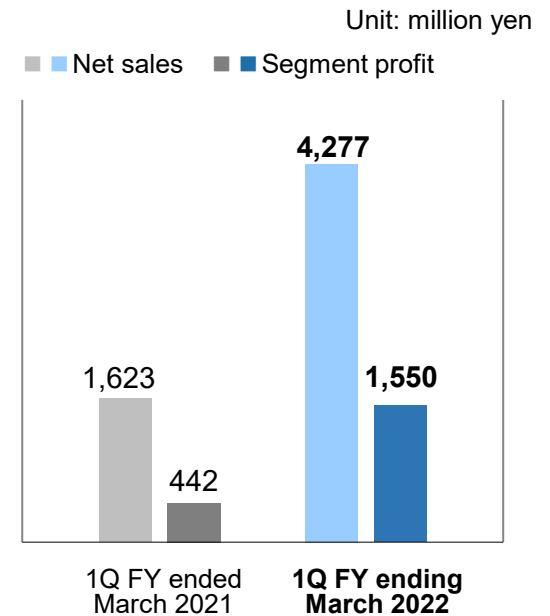


[Results Up Until 1Q FY Ending March 2022]

Resulted in an increase in sales and profit due to the recording of the North American and European DL versions of BOKUJO MONOGATARI OLIVE TOWN TO KIBO NO DAICHI and strong sales of Rune Factory 5

[Title Performance]

- Sales of Rune Factory 5, the latest in the series released in May, are strong
- Cumulative global shipments of TENSUI NO SAKUNAHIME released in November last year exceeded 1 million units
- Amusement business saw relatively strong sales of its mainstay Pokémon MEZASTAR despite the impact of the declaration of a state of emergency. In overseas markets, Pokémon Ga-Olé was hit hard by COVID-19, and some businesses were forced to suspend or restrict operations.



[Title Rollouts]

Rune Factory 5
(Nintendo Switch)



Released on May 20, 2021

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Pokémon MEZASTAR
(Amusement)



Started operation on September 17, 2020

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Developed by T-ARTS and MARV
ポケットモンスター・ポケモン・Pokémonは任天堂・クリエーターズ・ゲームフリークの登録商標です。

Consumer Game Business: Initiatives Starting in 2Q FY Ending March 2022

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- The latest version of the series, No More Heroes 3 is scheduled to be released on August 27, 2021
- In the amusement business, New tag of Pokémon MEZASTAR newly began operations in July

No More Heroes 3 (Nintendo Switch)



Scheduled to be released
on August 27, 2021

©Marvelous Inc. / Grasshopper Manufacture Inc.

Pokémon MEZASTAR (Amusement)



Started operation on September 17, 2020
New tag is now in operation with a
favorable reception.

©2021 Pokémon. ©1995-2021 Nintendo/Creatures Inc. / GAME FREAK inc.
Developed by T-ARTS and MARV
ポケットモンスター・ポケモン・Pokémonは任天堂・クリエーターズ・ゲームフリークの登録商標です。

Audio & Visual Business: 1H FY Ending March 2022 Progress Status

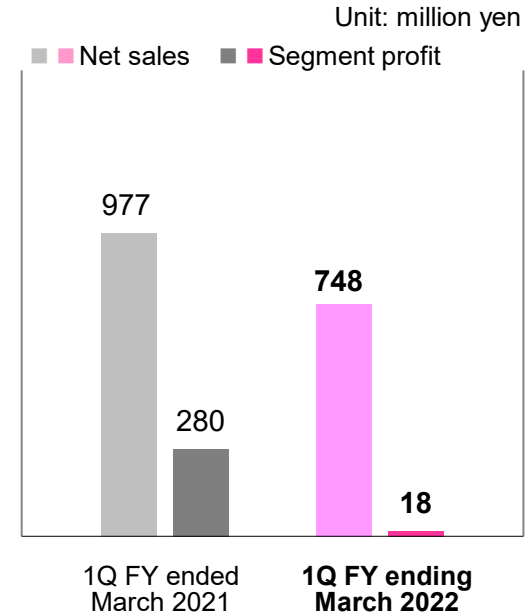


[Results Up Until 1Q FY Ending March 2022]

Resulted in a decrease in sales and profit due to the impact of COVID-19

[Title Performance]

- TV animations such as HEALIN' GOOD♥PRECURE, Akudama Drive, and Mewkledreamy, broadcasted in the previous term, were packaged and commercialized
- For stage performances, new series are performed in accordance with the policies of the national and local governments and the guidelines of the Association of Public Theaters and Halls in Japan With the declaration of a state of emergency, some performances were canceled, and conditions remain severe.



[Title Rollouts]

HEALIN' GOOD♥PRECURE



Blu-ray Volume 4
Launched in May 2021

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Akudama Drive



Blu-ray/DVD
Launched Volume 5 in April 2021
Volume 6 in May 2021

©Pierrot,TooKyoGames/Akudama Drive Production Committee

Musical HAKUOKI
SHINKAI Side Soma Kazue



Performed in April 2021

©IDEA FACTORY・DESIGN FACTORY / Musical HAKUOKI Project

The 70th anniversary of TBS
Touken Ranbu the Stage



Performed from April to June 2021

©Touken Ranbu the Stage Production Committee ©2015 EXNOA LLC/Nitroplus

Audio & Visual Business: Initiatives Starting in 2Q FY Ending March 2022

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- In the Audio and Visual Business, new TV series of the Pretty Cure movie version were commercialized as package products, and the next movie version is scheduled to be released in October
- The impact on the several plans of stage performances was expanded again with the fourth declaration of a state of emergency

Healin' Good Pretty Cure the Movie



Blu-ray/DVD released
in July 2021

©2020 Healin' Good Pretty Cure the Movie Production Committee

Tropical Rouge Pretty Cure the Movie



Scheduled to be released
in October 2021

©2021 Tropical Rouge Pretty Cure the Movie Production Committee

MUSICAL THE PRINCE OF TENNIS 4th SEASON SEIGAKU vs FUDOMINE



Performance from July
to August 2021

©1999 TAKESHI KONOMI/2021 MUSICAL THE PRINCE OF TENNIS PROJECT

“Katekyo Hitman Reborn!” the STAGE -episode of FUTURE-



Performance from July
to August 2021

© Akira Amano/SHUEISHA
© REBORN! THE STAGE PROJECT

MUSICAL『MORIARTY THE PATRIOT』OP.3 -THE PHANTOM OF WHITECHAPEL-



Performance scheduled
for August 2021

©Ryosuke Takeuchi,Hikaru Miyoshi/SHUEISHA
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“World Trigger the Stage”



Performance scheduled from
November to December, 2021

©Daisuke Ashihara/SHUEISHA,©World Trigger the Stage*project

Results and Dividends Forecasts for the Fiscal Year Ending March 2022



Results forecasts

Full-year results forecasts for the fiscal year ending March 2022 are not disclosed at the present time because of the difficulty in reasonably estimating the impact of COVID-19.

Consolidated results forecasts will be announced as soon as it is possible to do so.

Dividends forecasts

- FY ended March 2021: 33 yen annual dividend
- FY ending March 2022: Undecided

	FY ended March 2021	FY ending March 2022 (Forecast)
Dividend	33 yen	Undecided
Dividend payout ratio	59.3%	—

Dividend policy

Securing necessary internal reserves for expanding future businesses and strengthening the financial position, the Company distributes continuous and stable dividends targeting 30% or more of payout ratio as a basic policy.

Thank you very much for your attention.

Inquiries

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This document contains forward-looking statements which are based on information currently available to the Company and which may change as a result of numerous factors including the macroeconomic environment and industry trends relevant to the Company. Therefore, these forward-looking statements are made subject to certain risks and uncertainties which could cause results, including actual business performance, to differ materially from those presented.