

MARVELOUS!

Fiscal Year Ending March 31, 2024 First Half

Results Briefing Materials

Marvelous Inc.

October 31, 2023

Stock Code: 7844 (Prime Market)

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First-Half Results Summary**
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Fiscal Year Ending March 2024, First-Half Results Summary

Financial Summary for the Fiscal Year Ending March 2024, First Half

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Net sales **13,999** million yen

YoY change: 121.2%

Operating profit **1,153** million yen

YoY change: 65.0%

- Net sales increased year on year in all segments, mainly in the Digital Contents Business, due to the release of new consumer games and other factors.
- On the other hand, profit decreased owing to the sluggish sales of the game software LOOP 8 released in 1Q and the limited performance contribution of FREDERICA released at the end of 2Q.

	1H FY ended March 2023 (Apr.–Sep. 2022)		1H FY ending March 2024 (Apr.–Sep. 2023)		YoY change		
	(Unit: million yen)	Actual	Profit ratio	Actual	Profit ratio	(Amount)	(%)
Net sales		11,546	–	13,999	–	2,452	121.2%
Operating profit		1,774	15.4%	1,153	8.2%	-620	65.0%
Ordinary profit		2,427	21.0%	1,646	11.8%	-780	67.8%
Profit attributable to owners of parent		1,655	14.3%	1,110	7.9%	-545	67.0%

Changes in Quarterly Consolidated Financial Results

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Fiscal Year Ending March 31, 2024 2Q
(July – September 2023)

Net sales **7,115** million yen

YoY: 114.3%

QoQ: 103.4%

Operating profit **621** million yen

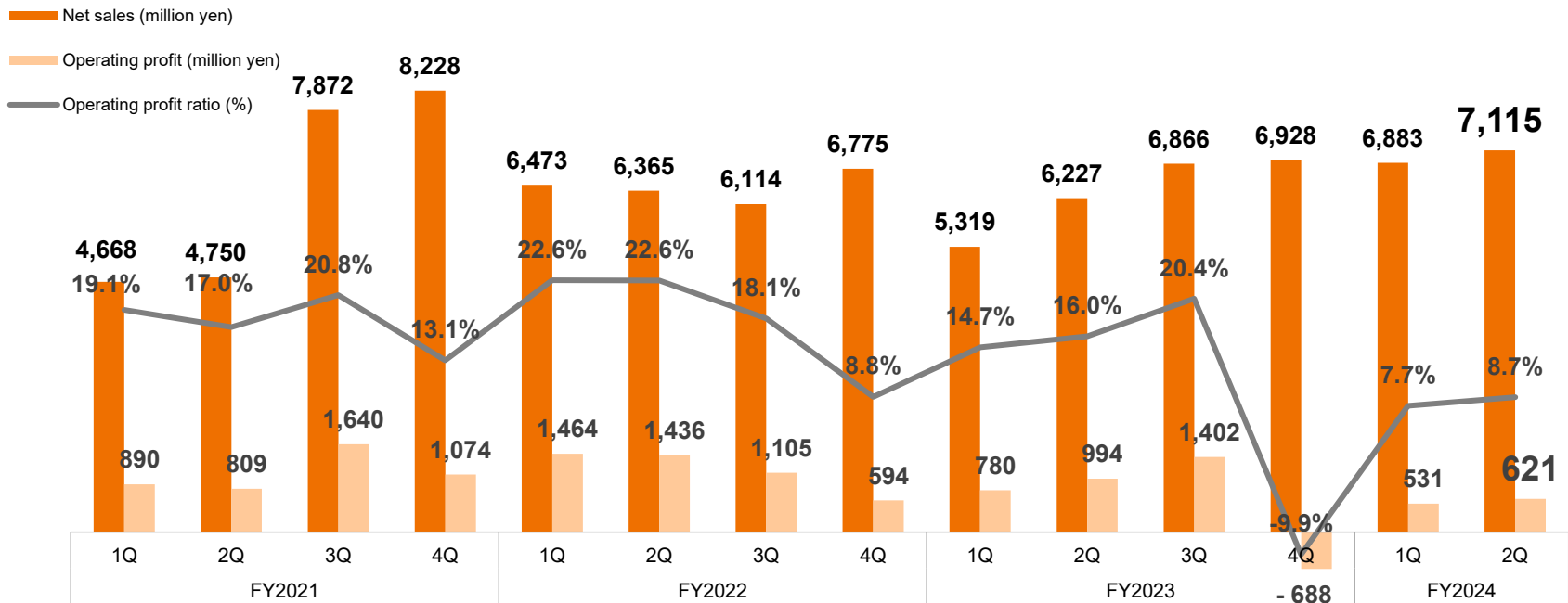
YoY: 62.6%

QoQ: 117.0%

Operating profit ratio **8.7%**

YoY: down 7.3 points

QoQ: up 1.0 points



Segment Results and Future Development

Operating Results by Segment

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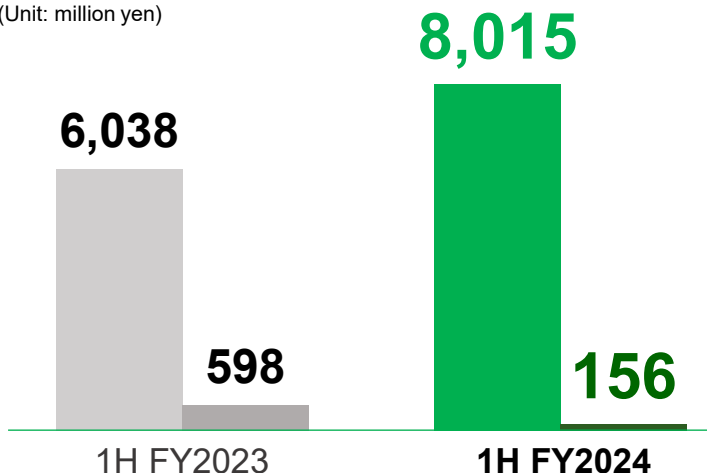
(Unit: million yen)		1H FY2023 (Apr.–Sep. 2022)	1H FY2024 (Apr.–Sep. 2023)	YoY change	
				(Amount)	(%)
Net sales	Digital Contents Business	6,038	8,015	1,977	132.7%
	Amusement Business	4,070	4,271	200	104.9%
	Audio & Visual Business	1,438	1,712	274	119.1%
	Total	11,546	13,999	2,452	121.2%
Segment profit	Digital Contents Business	598	156	-441	26.2%
	Amusement Business	1,609	1,593	-15	99.0%
	Audio & Visual Business	364	242	-122	66.4%
	Total	2,572	1,992	-579	77.5%
Company-level costs, etc.		-798	-839	-41	105.2%
Operating profit total		1,774	1,153	-620	65.0%

Digital Contents Business [2Q Overview]

- Net sales increased significantly thanks to the revenue contribution from Dolphin Wave, in addition to the release of new consumer games in Japan and overseas, while profit declined year on year due to the sluggish sales of some titles despite increases in development expenses of titles.

■ Net sales ■ Segment profit

(Unit: million yen)



1H FY2024

Net sales **8,015** million yen

YoY: 132.7%

Segment profit **156** million yen

YoY: 26.2%

FREDERICA

Title in North America and Europe: SILENT HOPE
(Nintendo Switch™/Steam®)



Japan and Asia: Launched on September 28, 2023
North America and Europe: Launched on October 3, 2023
Steam®: Released on October 4, 2023

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STORY OF SEASONS: A Wonderful Life

(Nintendo Switch™/ PlayStation®5/
Xbox Series X|S/Steam®)



North America and Europe: Launched on
June 27, 2023
Steam®: Released on June 28, 2023

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Rune Factory 3 Special

(Nintendo Switch™/Steam®)



North America and Europe on: Launched on
September 5, 2023
Steam®: Released on September 6, 2023

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Dolphin Wave

(PC/Smartphone)



Launched on October 20, 2022

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Digital Contents Business [Upcoming Lineup]

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FREDERICA

Title in North America and Europe: **SILENT HOPE**
(Nintendo Switch™/Steam®)



Japan and Asia: Launched on September 28, 2023
North America and Europe: Launched on October 3, 2023
Steam®: Released on October 4, 2023

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Fashion Dreamer

(Nintendo Switch™)



Japan and Asia: Scheduled for release on November 2, 2023
North America and Europe: Scheduled for release on
November 3, 2023

©2023 Marvelous Inc.

Cuisineer

(Steam®)



Scheduled for release on November 10, 2023

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Marvelous Europe Ltd and Marvelous USA, Inc.

Dolphin Wave

(PC/Smartphone)



Launched on October 20, 2022

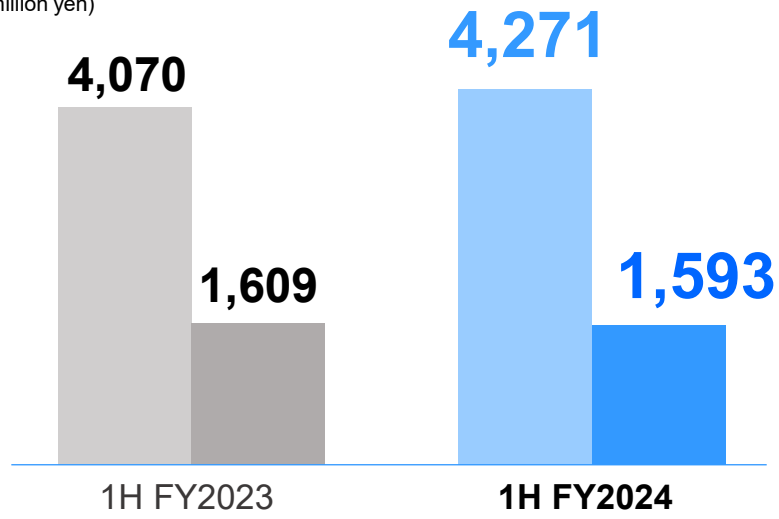
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*The overseas release dates are those according to Japan time.

Amusement Business [2Q Overview / Upcoming Lineup]

- Sales increased year on year due to continued strong performance of the Pokémon series. Although an increase in travel due to the reclassification of COVID-19 to Class 5 had a temporary effect on chassis revenue in 1Q, we regained momentum and achieved record quarterly earnings.

■ Net sales ■ Segment profit
(Unit: million yen)



1H FY2024

Net sales **4,271** million yen

YoY: 104.9%

Segment profit **1,593** million yen

YoY: 99.0%

Pokémon MEZASTAR

(Kids' amusement machine)

Launched on September 17, 2020

©2023 Pokémon. ©1995-2023 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・クリーチャーズ・ゲームフリークの登録商標です。

Pokémon Ga-Olé (Overseas)

(Kids' amusement machine)

Overseas operations since December 2020

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huo ying ren zhe do pai shi jie

(Article vending games)

A new machine based on NARUTO went into operation in mainland China on a rolling basis from September 26, 2023.

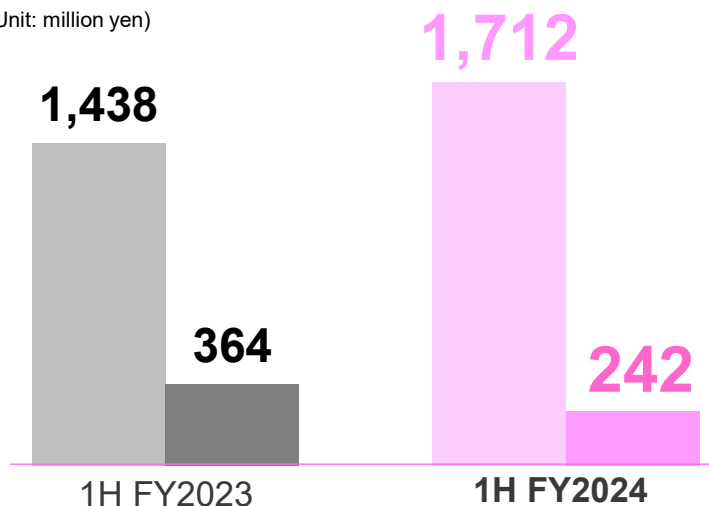
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Audio & Visual Business [2Q Overview]

- Net sales increased thanks to higher revenues from stage performances and related animation package products, while profit declined year on year mainly due to decreases in subsidies and revenues from secondary use of animation.

■ Net sales ■ Segment profit

(Unit: million yen)



1H FY2024

Net sales **1,712** million yen

YoY: 119.1%

Segment profit **242** million yen

YoY: 66.4%

Precure All Stars F the Movie

Released on
September 15,
2023



©2023 Precure All Stars F the Movie Production Committee

MUSICAL THE PRINCE OF TENNIS 4th SEASON SEIGAKU vs ROKKAKU

Performed
from July to
September
2023



©1999 TAKESHI KONOMI / ©2023 MUSICAL THE PRINCE OF TENNIS PROJECT

“World Trigger the Stage” -The B-Rank Wars Begins-

Performed in
August 2023



©Daisuke Ashihara/SHUEISHA, ©“World Trigger the Stage”project

MUSICAL『MORIARTY THE PATRIOT』 OP.5 -THE FINAL PROBLEM-

Performed
from August
to September
2023



©Ryosuke Takeuchi, Hikaru Miyoshi/SHUEISHA
© MUSICAL『MORIARTY THE PATRIOT』PROJECT

Audio & Visual Business [Upcoming Lineup]

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TV animation
Power of Hope
~PrecureFull Bloom~



Broadcast has been well received
since October 7, 2023

©2023 Power of Hope Otona-Precure Production Committee

Soaring Sky ! Precure
LIVE2023
Hero Girls Live
~Max ! Splash ! GoGo ! ~



Held on October 21, 2023

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MUSICAL THE PRINCE OF
TENNIS II The Third Stage



Performed from October to
November 2023

©2009 TAKESHI KONOMI / 2023 MUSICAL THE PRINCE OF
TENNIS II PROJECT

TOUKEN RANBU THE STAGE
YAMABAGIRIKUNIHIRO
TANDOKUKO NIHONTOSHI



Performed from October to
November 2023

©NITRO PLUS・EXNOA LLC/Touken Ranbu the Stage Production
Committee

DANCING☆STAR
PRECURE THE STAGE



Performed from October to
November 2023

©DANCING STAR PRECURE THE STAGE PROJECT

MUSICAL AO HARU TETSUDO
~The Métro that Shouted Love at the
Heart of the Underground~Métro~



Performance scheduled for
December 2023

©AO HARU ©Musical AO HARU TETSUDO Project

Musical "Ouran High School
Host Club" Fine



Performance scheduled for
December 2023

©Bisco Hatori,hakusensha / Musical "Ouran High School Host
Club" Project

HIGH CARD the STAGE-
CRACK A HAND



Performance scheduled for
January 2024

© TMS/HIGH CARD Project © HIGH CARD the STAGE Project

Full-Year Forecast for the Fiscal Year Ending March 2024

Full-Year Forecast for the Fiscal Year Ending March 2024

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- There are no changes to the initial forecasts. Profits are expected to be weighted toward the second half of the year due to the launch schedule of each titles.

Results forecasts

	FY2023	FY2024	YoY change	
(Unit: million yen)	Actual	Forecast	(Amount)	(%)
Net sales	25,341	27,000	1,658	106.5%
Operating profit	2,488	3,500	1,011	140.7%
Ordinary profit	2,931	3,600	668	122.8%
Profit attributable to owners of parent	1,925	2,520	594	130.9%

*The forecast dividend remains at ¥33 per share.

Supplementary Material

Statement of Income

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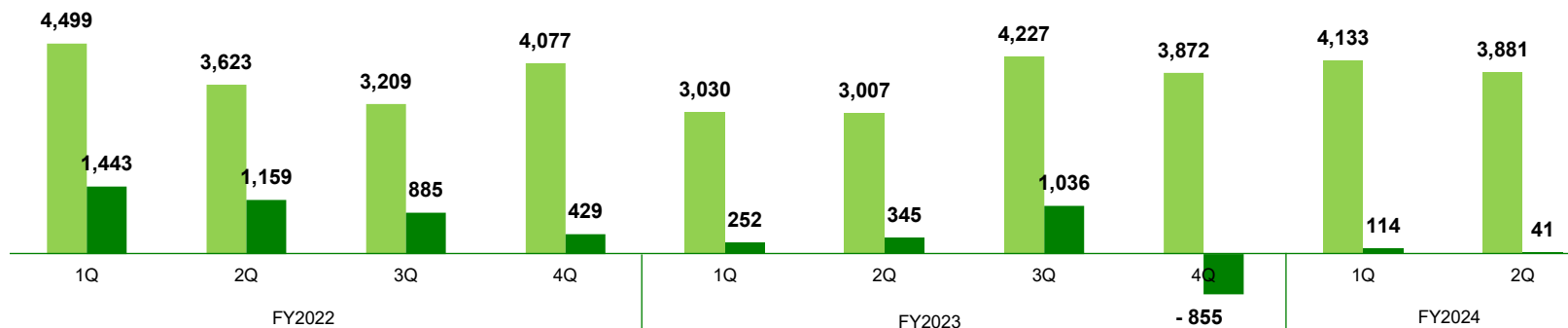
(Million yen)	1H FY ended March 2023 (Apr.–Sep. 2022)		1H FY ending March 2024 (Apr.–Sep. 2023)		YoY change	
	Actual	Profit ratio	Actual	Profit ratio	(Amount)	(%)
Net sales	11,546	—	13,999	—	2,452	121.2%
Cost of sales	5,677	—	7,955	—	2,277	140.1%
SGA expenses	4,094	—	4,890	—	795	119.4%
Thereof advertising expenses	690	—	1,105	—	415	160.1%
Operating profit	1,774	15.4%	1,153	8.2%	-620	65.0%
Other profit	652	—	493	—	-159	75.5%
Ordinary profit	2,427	21.0%	1,646	11.8%	-780	67.8%
Extra ordinary profit/loss	0	—	0	—	0	—
Income taxes	778	—	542	—	-235	69.7%
Profit attributable to owners of parent	1,655	14.3%	1,110	7.9%	-545	67.0%

Sales Changes by Business Segment

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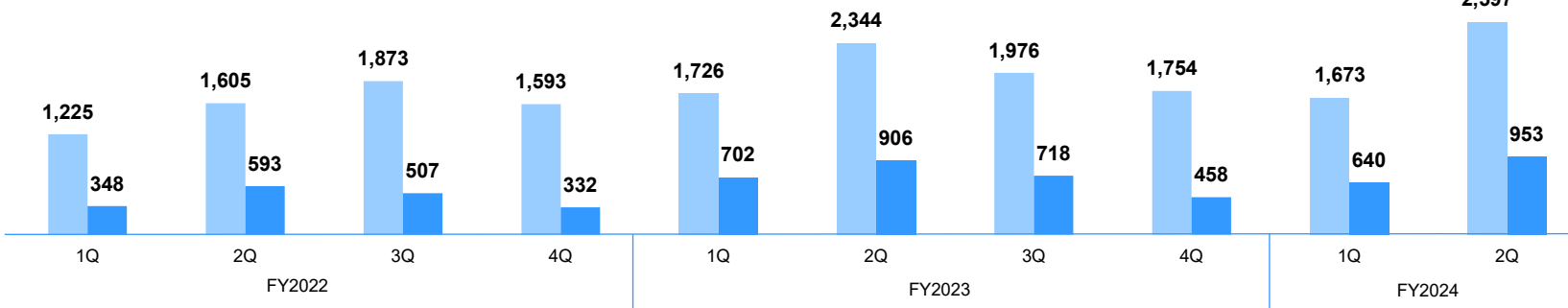
Digital Contents Business

■ Net sales ■ Segment profit (Unit: million yen)



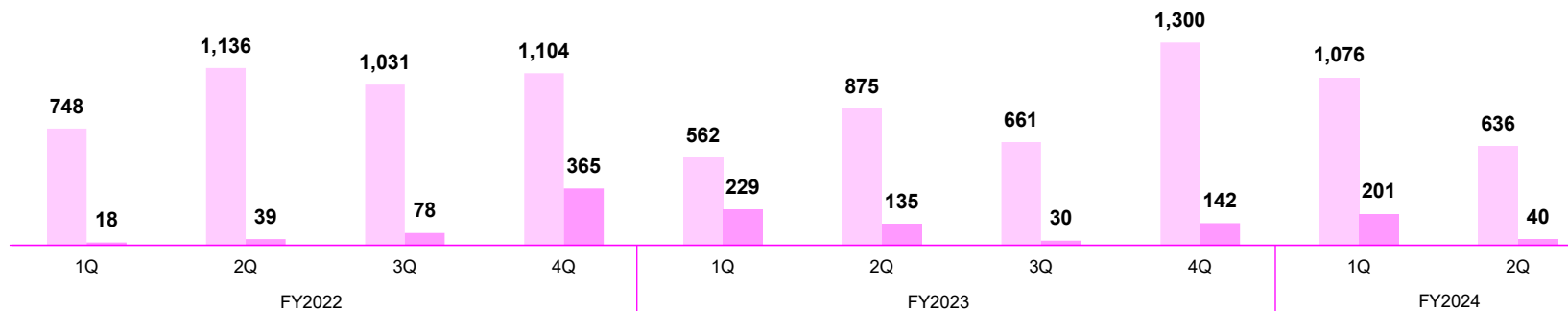
Amusement Business

■ Net sales ■ Segment profit (Unit: million yen)



Audio & Visual Business

■ Net sales ■ Segment profit (Unit: million yen)



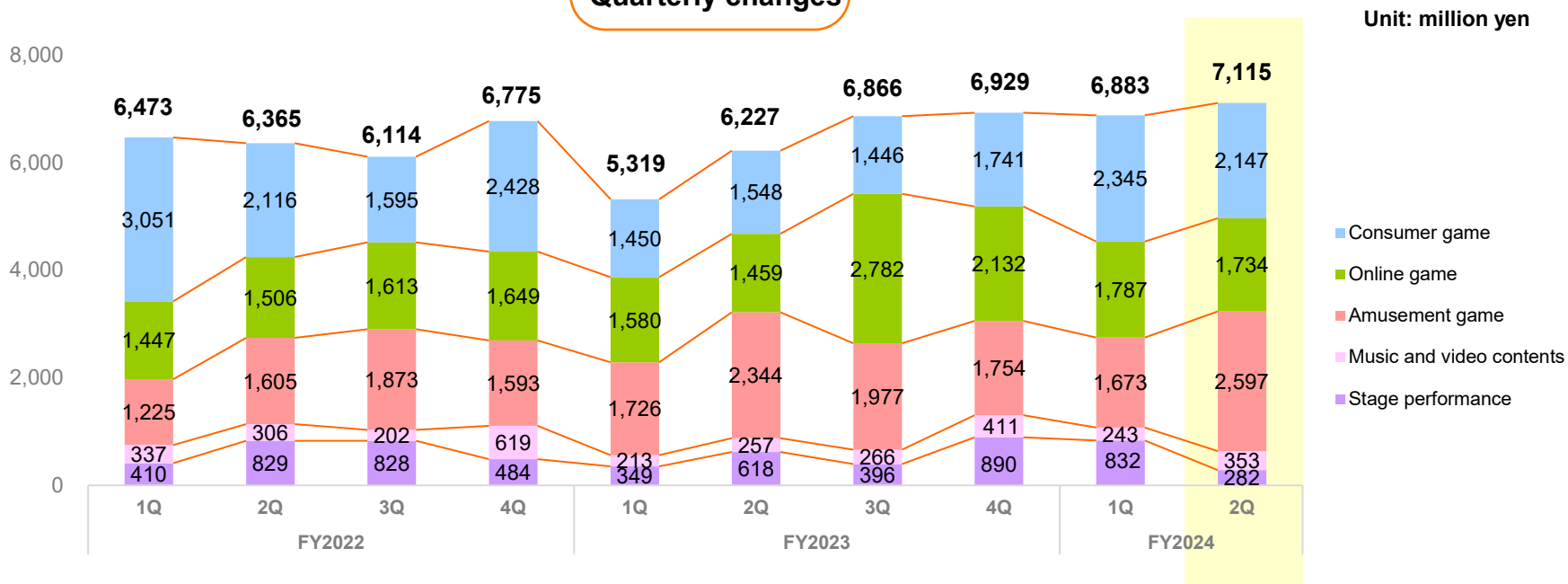
*Segment classifications have been changed since the fiscal year ended March 2023. Figures for the fiscal year ended March 2022 have been reclassified according to the new segment classification.

Sales Changes by Business Segment

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Reportable segment	Business category	1H FY ending March 2024 (April–September 2023)	(Unit: million yen)
Digital Contents Business	Consumer games related	4,492	
	Online games related	3,522	
Amusement Business	Amusement games related	4,271	
Audio & Visual Business	Music and video contents related	596	
	Stage performance related	1,115	
Total net sales		13,999	

Quarterly changes



Balance Sheet

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(Unit: million yen)

End of March 2023

End of September 2023

Change in amount

Current assets

28,460

28,380

-79

Non-current assets

7,986

8,426

439

Total assets

36,447

36,807

360

Current liabilities

6,880

7,609

728

Non-current liabilities

338

234

-104

Total liabilities

7,219

7,843

624

Total net assets

29,227

28,963

-264

Statement of Cash Flows

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(Unit: million yen)	1H FY ended March 2023	1H FY ending March 2024	YoY Change
Cash flows from operating activities	171	389	218
Cash flows from investing activities	-3,254	481	3,736
Cash flows from financing activities	-2,007	-2,007	-
Cash and cash equivalents at end of quarter	12,598	12,047	-551

[Inquiries]

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This document contains forward-looking statements that are based on information currently available to the Company and that 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 that could cause results, including actual business performance, to differ materially from those presented.

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