New IP creation

Connections with

each business

Toys and Hobby

Digital

HAPTER

Creative Quality Key Theme 1

Content creation, development, and production

Positioning Monozukuri as the Starting Point of the Group and Creating Products and Services Unique to Bandai Namco

■ Create new experience-based value unique to Bandai Namco **Points** Continue to take on the challenge of new IP creation Pursue greater efficiency

The starting point of the Bandai Namco Group is Monozukuri (craftsmanship). To deliver experience-based value unique to Bandai Namco to our fans across the globe, we develop games, produce animated series, plan and produce products, and create new services. At the same time, we take a multifaceted approach to new IP creation, including initiatives driven by visual content, products, services, and Groupwide projects. As part of these initiatives, we will strengthen IP co-creation by working more closely with external creators, studios, and IP holders from new perspectives. We will also pursue greater efficiency in terms of content creation, development, and production as we work to realize higher-quality

Expansion Key Theme 2

Category expansion

Area expansion

Aiming to Increase Fans Around the World by Expanding Our Area of Rollouts as Well as **Product Categories**

Points ■ Establish robust local sales networks ■ Expand scope of products and services and offer them to fans

In the Toys and Hobby Business, we are expanding rollouts of products for the mature fanbase, trading card games, capsule toys, and other products. The Business is also collaborating with the Amusement Business to open official stores and hold workshops and other hands-on events. In these ways, we are working to

Furthermore, we are actively pursuing collaborations with local IPs and corporations. With regard to expanding our areas of operations, we are stepping up the rollout of e-commerce services in each country and region.

enhance engagement with our products and services and deepen connections

In the Digital Business, we have further refined the structure to oversee worldwide marketing activities in Japan and the United States, thereby working to accelerate decision-making and information sharing.

In the Visual and Music Business, we established a visual and music works operating company in North America. This new company will serve as an investment hub for the worldwide release of the live-action Hollywood adaptation GUNDAM (tentative title) while also working to strengthen the overseas licensing, promotions, and events for the Mobile Suit Gundam series. By doing so, we will maximize the value of the Gundam IP.

Growth Kev Theme 3

Brand enhancement (IPs, labels, products, and services)

Fostering Brands That Are Deeply Loved by Many Fans Over Time by Recognizing the Importance of Continuously Nurturing What We Create

■ Strengthen licensing business

IPs serve as the key element of the IP axis strategy, which is our greatest strength as a corporate group, and we understand the importance of not only creating IPs but also growing them. Under the current Mid-term Plan, we will strengthen the licensing business for Group IPs. At the same time, we will expand the worldview of our IPs in a manner that transcends our business domains. For game titles, we will focus on expanding the popularity of our series titles and continuing series development, while making effective use of them. By doing so, we will establish a strong presence for such titles and strengthen our brand power.

Also, products in the Toys and Hobby Business, such as Gundam model kits, which are the flagship product of the Gundam IP, use various raw materials, including plastics. Amid growing concerns regarding the environ tal impact of plastics, we have established the Bandai Namco Group Plastic Environmental Consideration Policy. We have been pursuing such efforts as recycling programs involving fans and the utilization of alternative materials. Moving forward, under the Plastic Environmental Consideration Policy, we will continue to reduce plastic usage to the greatest extent possible while utilizing renewable plastics and alternative materials and promoting recycling. As a member of society, promoting Groupwide envir friendly initiatives will help us enhance the brand value of IPs and products.

Key Theme 4

with fans.

Strengthen

Data utilization

"Strengthening" and Evolving Our Business by Utilizing Accumulated Data to the Greatest **Extent Possible**

Utilize the Data Universe concept ■ New technology utilization

Under the previous Mid-term Plan, we promoted the Data Universe, which connects, integrates, and utilizes Groupwide data, and began to utilize it across numerous businesses. Under the current Mid-term Plan, we will begin the genuine utilization of accumulated data and further deepen our application of it. By doing so, we will formulate optimized marketing plans and enhance the accuracy of our product planning and demand forecasting, thus refining our operations in each business. In addition, primarily in the fields of game development and visual content production, we will actively promote the research and application of new technologies through discussions and collaborations between external partners and r internal studios and research and development departm Through such efforts, we will realize our goals for the theme "Strengthen."

Strengthening of Alliances

As a new initiative, we have established the We established CW360 within Bandai Namco Holdings with the aim of strengthening alliances CW360 (Connect with 360) Division at the with partner companies. Company, embodying our desire to estab-Partner companies lish 360° connections with fans, based on our Mid-to Long-term Vision of "Connect **CW360** with Fans." To date, there have been areas we wished to pursue but could not due to (Connect with 360) time, budget, and other restrictions. Through CW360, we aim to approach these Establish 360° connections with partners

> Provide support for business growth, thereby realizing **Groupwide growth**

 Approach untapped areas of business • Form connections with multiple businesses

Utilization of Diverse Human Resources

We will promote a broad range of initiatives to ensure that our diverse group of employees can work in a lively manner and with peace of mind. These include developing global talent to support the Group's business growth, reinforcing our corporate personnel and divisions, and establishing employee-friendly environments and systems. By doing so, we will lay a solid foundation for our business.

Initiatives led by CW360 to strengthen alliances with external partners will also provide an excellent opportunity for human resource development. Opportunities created by CW360, such as the promotion of projects and alliances with external partners and the establishment of joint-venture companies, will help us cultivate the talent of the next generation.

Capital Policy

areas from a Groupwide perspective,

embracing challenges without fear of failure and fostering connections with external

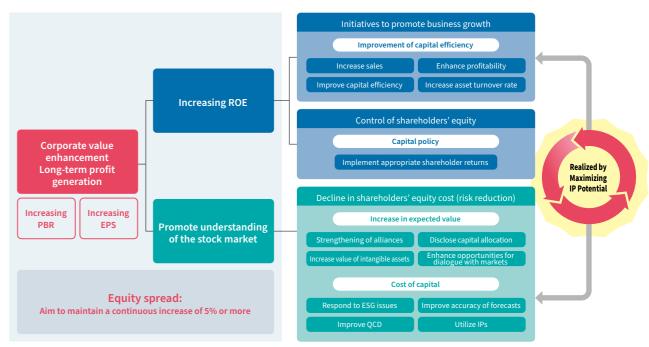
partners through projects, collaborations,

and alliances. These types of efforts to sup-

port business growth will lead to the further

growth of the Group over the long term.

In the current Mid-term Plan, we aim for sustainable growth by maximizing the value of IPs to enhance corporate value. Simultaneously, we focus on long-term profit generation by emphasizing EPS and equity spread, striving to improve ROE while actively engaging in dialogues with capital markets.



Capital cost (recognized at roughly 8%)

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