

July 30, 2019

*Company:* SQUARE ENIX HOLDINGS CO., LTD.  
(Code: 9684, Tokyo Stock Exchange)  
*Representative:* Yosuke Matsuda, President and Representative Director  
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**NOTICE OF GRANT OF STOCK UNIT AWARD (SERVICE-BASED) TO  
DIRECTORS AND EMPLOYEES OF THE SUBSIDIARIES**

SQUARE ENIX HOLDINGS CO., LTD. (the "Company") has resolved to grant Stock Unit Award (service-based) (the "Stock Award") to directors and employees of its subsidiaries (the "Participants") identified by the Company at the Board of Directors Meeting held on July 30, 2019.

1. Purpose of the Stock Award

The Company grants the Stock Award for the purpose of motivating the Participants to contribute to the improvement of performance and the growth of corporate value of the Company and to work continuously for a mid-long term.

2. Contents of the Stock Award

(1) Outline of the Stock Award

The Stock Award is a service-based stock unit award that the Company delivers to the Participants the pre-determined number (the "Number of Shares to Be Delivered") of the common stocks in the Company (the "Shares"), in consideration of service provided for each one (1) year (respectively, the "Vesting Period") of the relevant service period (from August 15, 2019 to August 14, 2022) (the "Service Period") upon expiration of each Vesting Period. If the total number of the issued shares in the Company increases or decreases by consolidation or split of shares (including but not limited to the Allotment of Shares without Contribution provided for in Article 185 of the Companies Act; the same shall apply to references to split of shares hereinafter), the Number of Shares to Be Delivered shall be adjusted accordingly by multiplying the rate of consolidation or split of shares.

(2) Conditions to deliver the Shares

The Participants may receive the delivery of the Shares after expiration of each Vesting Period on the conditions that (i) the Participants continuously holds any position of a director or employee of the Company or its subsidiary during such Vesting Period and (ii) the Participants meet the absence of any misconduct or any other requirements.

(3) Maximum number of the Shares to be delivered to the Participants

Maximum number of the Shares to be delivered to the Participants with respect to the Stock Award shall be eleven thousand, three hundred and one (11,301) shares. If the total number of the issued shares in the Company increases or decreases by consolidation or split of shares, such maximum number shall be adjusted accordingly by multiplying the rate of consolidation or split of shares.

(4) Procedure and date of the delivery

After or before expiration date of each Vesting Period, on the conditions that the Participant satisfies all conditions prescribed in (2) of this Article until such expiration date of each Vesting Period, the Company shall resolve by the board of directors (i) to give the Participants monetary claims and (ii) in exchange of such claims, to deliver the Number of Shares to Be Delivered by means of issuance of new shares or disposition of treasury shares.

The subscription price per share of such issuance or disposition shall be determined by the board of directors, to the extent that such price is not particularly-favorable based on the closing price of the Share at Tokyo Stock Exchange on the preceding business day to each day of such resolutions (if no

closing price is quoted, the closing price of the immediately preceding trading date to such business day.).

(5) Retirement during the Service Period, etc.

In cases, among other cases, that (i) the Participant retires for a legitimate reason or (ii) the restructuring transaction (including but not limited to a merger agreement in which the Company is the disappearing company or a Share Exchange agreement or Share Transfer plan through which the Company becomes a wholly-owned company) is approved at the shareholders' meeting, the Company shall deliver such number of the Shares or pay in cash such amount as determined reasonably based on the period before the date of such retirement or the approval date of such restructuring transaction.

(EOF)