

May 20, 2020

Company: SQUARE ENIX HOLDINGS CO., LTD.
(Code: 9684, Tokyo Stock Exchange)
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NOTICE OF DISPOSITION OF TREASURY SHARES
FOR THE DELIVERY OF SHARES AS STOCK AWARD

SQUARE ENIX HOLDINGS CO., LTD. (the “Company”) has resolved to dispose its treasury shares for the delivery of shares as stock award (the “Disposition”) at the Board of Directors Meeting held on May 20, 2020.

1. Outline of Disposition

(1) Disposal Date	June 16, 2020
(2) Class and number of shares to be disposed	Common stock in the Company 900 shares
(3) Disposal value	4,740 yen per share
(4) Total disposal value	4,266,000 yen
(5) Recipient of allocation	Employee of the subsidiary 1 person 900 shares

2. Purpose and Reason of Disposition

The Company has granted Stock Unit Award (performance -based) (the “Stock Award”) to one (1) employee of its subsidiary in accordance with the resolutions at the Board of Directors Meeting held on October 25, 2018 for the purpose of incentivizing employee of its subsidiary (the “Participant”) to enhance the persisting corporate value of the Company and promoting it to share values with the shareholders of the Company. Please refer to the Attachment for details.

The delivery of shares under the Stock Award will be made in three installments. The Disposition is made to the one (1) Participant who meets the conditions to deliver the shares specified in the Attachment in order to deliver the shares in consideration of service during the Fiscal year ended March 2020 specified in the Attachment under the Stock Award. The Company delivers the common stocks in the Company (the “Shares”) to such Participant in exchange of contribution in kind of all monetary claims given to such Participant. There is no restriction on transfer or any other encumbrance on the Shares to be delivered by the Disposition.

3. Basis of Calculation and Specific Detail of Disposal Value

The Disposition will be made in exchange of contribution in kind of all monetary claims given to the Participant under the Stock Award. The disposal value has been set at 4,740 yen, which is the closing price of the Shares at the Tokyo Stock Exchange on May 19, 2020 (the preceding business day to the day of the resolution of the Board of Directors Meeting), in order to exclude arbitrariness. This is not considered to be particularly favorable to the Participant as this is the market stock price immediately prior to the day of the resolution at the Board of Directors Meeting and a reasonable price

that properly reflects the Company's corporate value.

(EOF)

Stock Award (resolved at the Board of Directors Meeting held on October 25, 2018)

(1) Outline of the Stock Award

The Stock Award is a performance-based stock unit award that the Company delivers to the Participant each pre-determined numbers (the “Number of Shares to Be Delivered”) of the common stocks in the Company (the “Shares”), on the consideration of achievement of the performance goal in each of the following periods, (i) Fiscal year ended March 2019 (from November 1, 2018 to March 31, 2019), (ii) Fiscal year ended March 2020 (from April 1, 2019 to March 31, 2020) and (iii) Fiscal year ended March 2021 (from April 1, 2020 to March31, 2021) (respectively, the “Fiscal Year”) of the relevant performance evaluation period (from November 1, 2018 to March31, 2021) . 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 Participant may receive the delivery of the Shares after expiration of each Fiscal Year on the conditions that (i) the performance goal of such Fiscal Year set out by the board of directors has been achieved and (ii) the Participant continuously holds any position of the subsidiary of the Company set out by the board of directors during such Fiscal Year and (iii) the Participant meets any other requirements including the absence of any misconduct. .

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

Maximum number of the Shares to be delivered to the Participant with respect to the Stock Award shall be two thousand and seven hundred (2,700) 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

If the performance goal of the Fiscal Year has been achieved , the Company shall resolve by the board of directors (i) to give the Participant 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 Fiscal Year, etc.

In cases of the retirement of the Participant during the Fiscal Year or occurrence of any other event set out by the board of directors, the Company shall not deliver any Shares for such Fiscal Year to the Participant.

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