

August 29, 2022

Company: SQUARE ENIX HOLDINGS CO., LTD.
(Code: 9684, Tokyo Stock Exchange)
Representative: Yosuke Matsuda, President and Representative Director
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NOTICE OF DISPOSITION OF TREASURY SHARES
FOR THE DELIVERY OF SHARES AS STOCK AWARDS

The President and Representative Director of SQUARE ENIX HOLDINGS CO., LTD. (the “Company”), who has been delegated to do so by a resolution of the Board of Directors of the Company, today has decided to dispose of its treasury shares for the delivery of shares as stock awards (the “Disposition”).

1. Outline of Disposition

(1) Disposal Date	September 14, 2022
(2) Class and number of shares to be disposed	Common stock in the Company 5,267 shares
(3) Disposal value	5,930 yen per share
(4) Total disposal value	31,233,310 yen
(5) Recipient of allocation	A person who was a director of a subsidiary 1 person 5,267 shares

2. Purpose and Reason of Disposition

The Company has granted Stock Unit Awards (service-based) (the “Stock Awards”) to one (1) director of its subsidiary (the “Participant”) in accordance with the resolutions at the Board of Directors Meetings held on, respectively, July 30, 2020 and July 29, 2021 for the purpose of motivating directors of its subsidiaries 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. Please refer to the Attachment for details.

The Disposition is made, in connection with the retirement from a subsidiary of the Company on the date of the share transfer transaction described in the press release “Disclosure Update: Completion of Share Transfer with Change to Subsidiaries (Divestiture of Select Overseas Studios & IP)” dated August 26, 2022, in order to deliver the shares as stock awards in respect of the Vesting Periods ending on or after August 14, 2023 among the Vesting Periods described in the Attachment. 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 Awards. The disposal value has been set at 5,930 yen, which is the

closing price of the Shares at the Tokyo Stock Exchange on August 26, 2022 (the preceding business day to the day of the decision of the President and Representative Director based on the delegation by the Board of Directors), 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 decision of the President and Representative Director and a reasonable price that properly reflects the Company's corporate value.

(EOF)

1. Stock Award (resolved at the Board of Directors Meeting held on July 30, 2020)

The “Stock Award” in this section 1 shall mean the stock award granted in accordance with the resolution at the Board of Directors Meeting held on July 30, 2020.

(1) Outline of the Stock Award

The Stock Award is a service-based stock unit award that the Company delivers to the Participant the pre-determined number (the “Number of Shares to Be Delivered” in this section 1) of the Shares, in consideration of service provided for each one (1) year (respectively, the “Vesting Period” in this section 1) of the relevant service period (from August 15, 2020 to August 14, 2023) (the “Service Period” in this section 1) 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 in this section 1), 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 Vesting Period on the conditions that (i) the Participant continuously holds any position of a director or employee of the Company or its subsidiary during such Vesting Period and (ii) the Participant meet the absence of any misconduct or any other requirements.

(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 seven thousand and ninety eight (7,098) 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 condition that the Participant satisfies all conditions prescribed in (2) of this section 1 until such expiration date of each Vesting Period, 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 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.

2. Stock Award (resolved at the Board of Directors Meeting held on July 29, 2021)

The "Stock Award" in this section 2 shall mean the stock award granted in accordance with the resolution at the Board of Directors Meeting held on July 29, 2021.

(1) Outline of the Stock Award

The Stock Award is a service-based stock unit award that the Company delivers to the Participant the pre-determined number (the "Number of Shares to Be Delivered" in this section 2) of the Shares, in consideration of service provided for each one (1) year (respectively, the "Vesting Period" in this section 2) of the relevant service period (from August 15, 2021 to August 14, 2024) (the "Service Period" in this section 2) 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 in this section 2), 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 Vesting Period on the conditions that (i) the Participant continuously holds any position of a director or employee of the Company or its subsidiary during such Vesting Period and (ii) the Participant meet the absence of any misconduct or any other requirements.

(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 seven thousand and three hundred two (7,302) 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 condition that the Participant satisfies all conditions prescribed in (2) of this section 2 until such expiration date of each Vesting Period, 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 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.

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