

This document is a translation of the Japanese original of “43rd Annual Shareholders’ Meeting (June 23, 2023): Summary Report” of SQUARE ENIX HOLDINGS CO., LTD. This translation is intended for reference and convenience purposes only. In the event of any discrepancy between this translation and the Japanese original, the original shall prevail.

43rd Annual Shareholders’ Meeting (June 23, 2023): Summary Report



The following is a summary of the Company's 43rd Annual Shareholders' Meeting.

*This document has been prepared to summarize the proceedings of the Company's 43rd Annual Shareholders' Meeting only for presentation on the Company's website and is different from the legally mandated minutes of the meeting.

Date and time: June 23, 2023 (Fri), 10:00 a.m. - 11:00 a.m.

Venue: Century Room, Hyatt Regency Tokyo, 2-7-2 Nishi-Shinjuku, Shinjuku-ku, Tokyo

Number of shareholders present: 86

Meeting Agenda

<Reports>

1. Business Report, Consolidated Financial Statements and Audit Reports on the Consolidated Financial Statements by Accounting Auditors and by the Audit & Supervisory Committee for the 43rd Term (April 1, 2022 through March 31, 2023)
2. Non-Consolidated Financial Statements for the 43rd Term (April 1, 2022 through March 31, 2023)

<Resolution>

Item: Election of Seven (7) Directors (excluding Directors who are Audit & Supervisory Committee Members)

The item was approved as originally proposed.

Summary of Questions and Answers (The Chairperson and the relevant directors, as designated by the Chairperson, responded.)

Question 1

Users are getting older, which is a serious issue. I would like to hear Director Kiryu's thoughts on how to approach the younger generation. Also, I would like to know whether Director Kiryu has chosen Bianca or Flora.

Answer 1 (Director Kiryu)

I chose Bianca because she is vivacious, whereas Flora is quiet.

With regard to approaching the younger generation, our Group has a wide range of business areas, including not only the game business but also the publishing and amusement businesses, and the range of our content is also diverse. Some of our content does find favor with the younger generation. While leveraging these assets, we would like to increase our reach to the younger generation and expand our fan base by strengthening our global publishing system.

Question 2

I would like to ask about "FINAL FANTASY VII REBIRTH," which is scheduled for release early next year. Two scandals involving the lead voice actor came to light between last year and this year, which I believe has hurt the role of the character and the image of the title. Will the Company continue to use the same voice actor? If so, what measures will the Company take to counter any impact on the character and the title?

Answer 2 (Director Kitase)

I am unable at this time to speak to the way forward, but I can say that the Final Fantasy series is one where we have developed the characters and the universe's look and feel with great care. There will be no change in that stance.

Question 3

The Company's performance and stock price have improved over the past decade, but that could also be attributable to the broader rise in Japanese stock prices and the improved market environment for games. For example, the Company has a peer that has overtaken it in terms of market capitalization, and that peer's performance is now better than the Company's. I would like to see the Company consider share buybacks, stock splits, and the like as a means of improving its market valuation.

Answer 3

We must admit that the Company's share price has recently been underperforming other companies'. Partly because of that, we are looking to the new management team to achieve significant growth. We believe that we can achieve earnings growth by producing titles of high quality that customers will appreciate. I expect the new management team to go back to the basics, deliver the best products, and take measures to earn a good market valuation. We cannot comment on capital policy, as it is a sensitive matter, but the

management team is taking the Company's financial performance and market valuation seriously.

Question 4

The Company has strong IPs like Final Fantasy and Dragon Quest, which I believe are its strengths and give it an advantage in terms of future developments, such as in blockchain businesses. However, it seems that there are cases of infringement on its IP. What are your views on the protection of its IP and measures to combat the infringement of its copyrights and other rights related to its IP?

Answer 4

Please know that we have always dealt seriously with any violations of the terms and conditions of our titles or infringements of our rights related to them. When brought to our attention, we establish the facts and act accordingly. We refrain from discussing any individual cases.

Question 5

In the Company's existing businesses, it has longer gaps between game releases than its peers do. Even if the quality of its titles is high, these long gaps seem to impact sales. What are your thoughts on the release schedule for major future titles?

Answer 5

I will refrain from speaking in specifics, but I will say that we believe that the strengthening of our internal development organization will be of benefit as the difficulty of developing major titles is becoming extremely high, which also has implications for development lead times. We hope that this reinforcement of our organization will promote the development not only of major titles but also new IPs under the new management team.

Question 6

"Final Fantasy I-VI Pixel Remaster" has been well received. Are there plans to remaster other past titles? Personally, I would like to play "Xenogears."

Answer 6

We will refrain from sharing information about new titles, but we are considering various ideas within the Company and hope that you will look forward to forthcoming announcements.

Question 7

Recently, the Company has undertaken many cross-title collaborations. Are there any plans to offer a collection of information and illustrations from these collaborations? Also, I hope that the Company will monetize its titles by offering them across multiple platforms, such as by making smartphone games available on consoles, thereby enabling it to reinvest in those titles.

Answer 7

I will refrain from discussing specifics, but I will say that we are working on offering our IPs in a variety of formats and are considering how to provide the best products for our customers. We will share your view with our development team and hope that you will look forward to what we have to offer in the future.

END