

October 31, 2024

(Translation)

Dear all,

Name of Company: SEGA SAMMY HOLDINGS INC.
Name of Representative: Haruki Satomi,
President and Group CEO,
Representative Director

(Code No. 6460, Tokyo Stock Exchange Prime)

Further Inquiry: Makoto Takahashi,
Executive Vice President,
Executive Officer,
Managing Director of
Corporate Planning Division
(TEL: 03-6864-2400)

**Notice of Granting of Post-delivery Restricted Stock Unit (RSU)
and Performance Share Unit (PSU) to Officers of Certain Overseas Subsidiaries of the Company**

SEGA SAMMY HOLDINGS INC. (the "Company") has announced in "Notice Regarding the Introduction of Stock Compensation Plan for Officers and Employees of certain overseas subsidiaries of the Company through Post-Grant Stock Compensation Program" released on August 1, 2023, that it has resolved to introduce the stock compensation plan for officers and employees of certain overseas subsidiaries of the Company through post-grant stock compensation program (the "Plan") at the Board of Directors meeting on the same date, and today the Company notifies that it has decided to grant Post-delivery Restricted Stock Unit ("RSU") and Performance Share Unit ("PSU") to officers of certain overseas subsidiaries of the Company (the "Recipients") under the Plan as described below.

Description

1. Granting of RSU

(1) Designation of the Recipients, the number of Recipients and the number of RSUs to be granted

Officers of overseas subsidiaries of the Company	2 persons	(RSUs equivalent to a total of up to 28,000 shares)
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(2) Outline of RSU

RSU is the plan that the Company grant the Recipients in advance the number of restricted stock units determined by the Company, and will deliver shares of common stock of the Company (the "Share(s)"), the number of which is the same as the number of such units (the "Number of Shares (i)") if the RSUs vest by fulfilment of certain conditions, such as the Recipients holding position as officers, and employees at the overseas subsidiary of the Company during the period determined in advance by the Company.

RSU to be granted this time will vest three years after RSU is granted, and the Company plans to allocate all of the Number of Shares (i) after three years have elapsed.

(3) Date of Granting (RSUs)

November 1, 2024

2. Granting of PSU

(1) Designation of the Recipients, the number of Recipients and the number of PSUs to be granted

Officers of overseas subsidiaries of the Company	2 persons	(PSUs equivalent to 0 to a maximum of 56,100 shares at the time of vesting, depending on the achievement rate of performance targets)
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(2) Outline of PSU

PSU is the plan that the Company grant the Recipients in advance the number of performance share units determined by the Company, and will deliver Share(s), the number of which is the same as the number of such units determined based on ratio of performance achievement (the "Number of Shares (ii)") if the PSUs vest by achievement of the performance target set by the Company, etc.

For PSUs to be allocated this time, the performance evaluation period will be from April 1, 2024 to March 31, 2027, and the Number of Shares (ii) will be determined in the range of 0% to 200% depending on the achievement rate of performance targets for the each business fiscal year. The Company plans to allocate all of the Number of Shares (ii) after three years from the granting of PSUs.

(3) Date of Granting (PSUs)

November 1, 2024

In addition, the total amount of monetary compensation receivables to be granted to Recipients and the total number of common stocks to be disposed of by the Company based on this program shall not exceed the amount approved at the Board of Directors meeting held on May 10, 2024 and such monetary compensation receivables and number of shares to be allocated will be within 7.2 billion yen and 1,800,000 stocks for PSU (both are the total amount for the three fiscal years of this medium-term plan) and within 0.6 billion yen and 150,000 stocks per year for RSU. Also, if the total number of issued shares of the Company increases or decreases due to stock consolidation or stock split (including free distribution of shares), the Company will adjust the Number of Shares (i) and Number of Shares (ii) by multiplying it by the ratio of the consolidation or split.

3. Method and timing of delivery of the Shares

The Company will deliver the Shares in the Number of Shares (i) and Number of Shares (ii) at the timing stipulated by the Company after the vesting by disposing treasury stock pursuant to the decision of the Board of Directors meeting of the Company through contribution in kind of the monetary compensation receivables against the Company that are provided by the Company to the Recipients. Any fraction less than a unit of Shares in the Company at the time of delivery will be rounded down to the nearest whole unit.

In addition, the amount to be paid per Share that will be disposed under the Plan shall be determined by the Company based on the closing price of the Share in the regular trading thereof on the Tokyo Stock Exchange on the trading day immediately preceding the date when our Board of Directors meeting makes a decision with respect to such disposal (or, if no transaction has been effected on such trading day, the closing price on the immediately preceding trading day) and at a price that is not particularly favorable to the Recipients and within the range that will be compliant with applicable laws and regulations.

4. Handling in the event where reorganization or any other events occur

In the event a merger agreement in which the Company will become the absorbed company, a stock exchange agreement or a stock transfer plan in which the Company will become the wholly owned subsidiary, or any other matter related to organizational restructuring, etc., is approved at the General Meeting of Shareholders of the Company (or if approval in the General Meeting of Shareholders of the Company is not required in relation to such organizational restructuring, etc., then at the Board of Directors meeting of the Company) or any other events stipulated by the Company occur, and in case such organizational restructuring, etc. results in the resignation or retirement of the Recipients from his/her position as the officers or employees of the Company or the Company Group, the Company may deliver the Shares, money or shares of the other party of such reorganization in the number or amount reasonably stipulated in accordance with the resolution of our Board of Directors meeting.

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