



February 14, 2024

Name of listed company:

Bandai Namco Holdings Inc.

Name of representative:

Masaru Kawaguchi,

President and Representative Director

(Code Number: 7832 TSE Prime Market)

Contact: Yuji Asako, Director

## **Notice Regarding Partial Sale of Investment Securities and Expected Recording of Extraordinary Income**

Bandai Namco Holdings Inc. (the “Company”) hereby announces that the Company resolved today to sell a portion of the shares of common stock of Toei Animation Co., Ltd. (Code Number 4816 TSE Standard Market; “Toei Animation”) the Company owns, as one of the selling shareholders taking part in a secondary offering of common stock to be conducted by Toei Animation (hereinafter referred to as the “Secondary offering”). The details are as follows.

### 1. Shares to be sold

- (1) Common stock of Toei Animation Co., Ltd.: 3,113,300 shares
- (2) Sale price: Undetermined (to be determined on a certain date between Tuesday, February 27, 2024 and Monday, March 4, 2024)

(Note) Accompanying the Secondary offering, in light of domestic demand and other conditions, SMBC Nikko Securities Inc., a Japanese lead manager of the Secondary offering, may sell in Japan an over-allotment of a maximum 583,900 shares of common stock of Toei Animation it will borrow from the Company (hereinafter referred to as the “Sale through over-allotment”). In regard to the Sale through over-allotment, the Company plans to issue options to acquire additional shares of common stock of Toei Animation it owns (greenshoe options) to SMBC Nikko Securities Inc. for a maximum of 583,900 shares, with a deadline for exercise on Monday, March 25, 2024. In the event that the Sales through over-allotment is conducted for the maximum number of shares and the greenshoe options are fully exercised in addition to the Secondary offering, it is expected that the Company will hold 840,000 shares of common stock of Toei Animation and the percentage of total voting rights held will be approximately 2.0% (calculated based on the total number of voting rights of Toei Animation as of September 30, 2023, which is 412,459).

### 2. Reason for the sale

The Company acknowledges that seeking increased efficiency of the assets it holds and improvement in its financial position through reconsideration of cross-shareholdings based on the Corporate Governance Code are important management issues for increasing the Company’s corporate value in the medium-to long-term. Each year the Company has been implementing a sufficient review of cross-shareholdings, including whether or not to continue to hold them, from a medium-to long-term perspective, taking into consideration the importance of the cross-shareholdings and economic rationale, and has been making efforts to reduce and liquidate cross-shareholdings.

Amid these efforts, the Company received a proposal to sell the shares of Toei Animation the Company owns in order for that Toei Animation to maintain its listing in the TSE Standard Market, and decided to take part as a selling shareholder. Thorough the Secondary offering, in addition to seeking further increase in

capital efficiency, the Company will continue to make investments for sustainable growth and take measures aimed at fostering good relationships with its stakeholders.

### 3. Future outlook

The sale price (subscription price) for the Secondary offering by the Company to the underwriters is scheduled to be determined on a certain date between Tuesday, February 27, 2024 and Monday, March 4, 2024. The Company expects to record extraordinary income (gain on sale of investment securities) upon the Secondary offering for the consolidated accounting period for the fourth quarter of the fiscal year ending March 31, 2024. The Company will promptly disclose the effect the Secondary offering will have on its business results for the fiscal year ending March 31, 2024 once the sale price has been determined. If there is a significant change in the effect on results after whether the greenshoe options will be exercised and the number thereof have been determined, the Company will promptly disclose this information as required.

Even after the Secondary offering, the Company intends to maintain a good relationship with Toei Animation as an important partner company in respect of the Company group's IP axis strategy.

This communication does not contain or constitute an offer of securities for sale, or solicitation of an offer to purchase securities, in the United States or any other jurisdiction where such an offer or solicitation would be unlawful. Securities may not be offered or sold in the United States absent registration under the U.S. Securities Act of 1933, as amended (the "Securities Act") or an exemption from registration, and any public offering of securities to be made in the United States will be made by means of a prospectus that may be obtained from the Company and that will contain detailed information about the issuer and management, as well as financial statements. The securities referred to herein have not been and will not be registered under the Securities Act.