

# NOTICE OF THE CONVOCAATION OF THE 28TH ANNUAL SHAREHOLDERS' MEETING

## ■ Date and Time:

Friday, June 23, 2023  
1:00 p.m.

## ■ Venue:

Keidanren Kaikan  
Conference Rooms #401-402  
1-3-2 Otemachi, Chiyoda-ku, Tokyo

### Shareholders unable to attend

Please review the reference documents and exercise your voting rights either by mailing the enclosed ballot, or via the internet.

## ■ Contents

Convocation Notice.....	1
Reference Documents for the Annual Shareholders' Meeting	
<i>Matters to be resolved</i>	
Proposed Resolution 1 .....	10
Appropriation of Surplus	
Proposed Resolution 2 .....	11
Election of Two (2) Directors (excluding Directors who are Audit and Supervisory Board Members)	
Proposed Resolution 3 .....	13
Election of One (1) Director who is Audit and Supervisory Board Members	

This unofficial document has been translated from a part of the Japanese original for reference purposes only.

In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

The Company assumes no responsibility for this translation or for direct, indirect or any other forms of damages arising from the translation.

**Digital Arts Inc.**  
(Securities Code: 2326)

Dear Shareholders:

Securities Code: 2326

June 8, 2023

(Date of commencement of electronic provision  
measures: June 1, 2023)

1-5-1 Otemachi Chiyoda-ku, Tokyo

**D i g i t a l   A r t s   I n c .**

**Toshio Dogu** Representative  
Director, President and Chief Executive  
Officer

## NOTICE OF THE CONVOCAION OF THE 28TH ANNUAL SHAREHOLDERS' MEETING

You are cordially invited to attend the 28th Annual Shareholders' Meeting of Digital Arts Inc. (the "Company").

Shareholders who are unable to come to the venue on the day can still attend this shareholders' meeting through "virtual attendance" via the Internet and other means explained later in this notice.

In convening this shareholders' meeting, the Company has taken measures for electronic provision of information, and posted matters to be provided electronically as "NOTICE OF THE CONVOCAION OF THE 28TH ANNUAL SHAREHOLDERS' MEETING" on the following website on the Internet.

The Company's website <https://www.daj.jp/ir/stock/meeting/>



The matters to be provided electronically will be posted on the website of Tokyo Stock Exchange Inc. (TSE) in addition to the above website. Please review this information by accessing the following TSE website (Listed Company Search), and input and search the Issue name (Digital Arts) or the Company's Code (2326), and select [Basic information] and then [Documents for public inspection/PR information].

TSE website

<https://www2.jpx.co.jp/tseHpFront/JJK010010Action.do?Show=Show>



If you do not expect to attend the Meeting, you may exercise your voting rights electronically or in writing. After reviewing the Reference Documents for the Shareholders' Meeting posted in matters to be provided electronically, please exercise your voting rights by no later than 7:00 p.m. on Thursday, June 22, 2023 (Japan time).

Company Orientation Invitation to the orientation	After the Annual Shareholders' Meeting, we plan to deliver an orientation about the company still in the same venue, with the aim of giving shareholders a better understanding of the Company. Shareholders who have the time are invited to attend this orientation as well as the Annual Shareholders' Meeting.
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Details are as follows:

1	Date and Time	Friday, June 23, 2023 at 1:00 p.m. (JST) * Reception desk will open at 0:30 p.m. (JST)
2	Venue	Keidanren Kaikan Conference Rooms #401-402 Located at 1-3-2 Otemachi, Chiyoda-ku, Tokyo If you prefer "virtual attendance" please refer to the "Guidance on remote attendance-type virtual shareholders' meeting" later in this notice.
3	Agenda	Matters to be Reported 1. Business review and Consolidated Financial Statements for FY2022 (April 1, 2022 – March 31, 2023) and report by the Accounting Auditor and the Audit and Supervisory Board on the audit results of the Consolidated Financial Statements 2. Non-Consolidated Financial Statements for FY2022 (April 1, 2022 – March 31, 2023) Matters to be Resolved Proposed Resolution 1: Appropriation of Surplus Proposed Resolution 2: Election of Two (2) Directors (excluding Directors who are Audit and Supervisory Board Members) Proposed Resolution 3: Election of One (1) Director who is an Audit and Supervisory Board Members

- ③ When attending the meeting, please submit the voting rights exercise form at the reception desk to register your attendance. If you attend the meeting through "virtual attendance," please follow the guidance later in this notice and log into the system using the prescribed ID and password.
- ③ If you intend to exercise your voting rights at the meeting through a proxy, the proxy must be another shareholder of the Company with voting rights who will be in attendance at the venue on the day. Please note that attendance via "virtual attendance" is limited to shareholders, as explained in the guidance later in this notice.
- ③ If you do not indicate your approval or disapproval of the proposals on the voting form, you will be deemed to have indicated your approval.
- ③ If a shareholder who has exercised his/her voting rights in advance in writing or electronically attends the shareholders' meeting and votes again, the vote cast at the shareholders' meeting will be deemed valid. If no vote is cast at the shareholders' meeting, then the vote cast in advance in writing or electronically will be deemed valid. Please refer to the guide later in this notice for further details.
- ③ In accordance with laws and regulations and the provisions of Article 16 of the Company's Articles of Incorporation, the following matters are not stated in the document delivered to shareholders who had requested the delivery.
  - Business Report: System to Ensure the Appropriateness of Business Activities and Operating Status of the System, Basic Policy Regarding Control of the Company, and Policy Regarding Determination of Dividends from Surplus, etc.
  - Consolidated Financial Statements: Consolidated Statements of Changes in Shareholders' Equity and Notes to Consolidated Financial Statements
  - Non-Consolidated Financial Statements: Non-Consolidated Statements of Changes in Shareholders' Equity and Notes to Non-Consolidated Financial StatementsTherefore, these documents constitute only part of the documents audited by the accounting auditor and the Audit & Supervisory Committee during the preparation of their accounting audit report and audit report respectively.
- ③ If there are any changes to the matters concerning the measures for the electronic provision, we will post the corrections on each website.

## 〈Guidance on remote attendance-type virtual shareholders' meeting〉

This Shareholders' Meeting will be held as a hybrid attendance-type virtual shareholders' meeting combining an in-person event held at the physical venue stated in this convocation notice and a remote attendance-type virtual event whereby shareholders can watch the proceedings of the meeting live and exercise their voting rights via the Internet. If you wish to attend the meeting via the Internet (hereinafter referred to as "virtual attendance"), please read the information in this notice carefully and then register your virtual attendance in advance. Shareholders who attend the shareholders' meeting virtually on the day of the meeting will be able to watch the proceedings of the meeting live on the Internet and ask questions and exercise their voting rights during the meeting.

To attend the shareholders' meeting virtually, we recommend you use a device running Windows 10 or Windows 11, with the latest version of Microsoft Edge or Google Chrome as your browser (hereinafter referred to as the "Recommended Settings"). Please check your operating system and browser and make sure they meet the requirements.

### 1. How to register your virtual attendance

The shareholders' meeting will be held using Desk Event, which is one of the Company's products. If you wish to attend the meeting virtually, you will need to register your virtual attendance in advance by the following procedure.

- (1) Access the following website on your computer and fill in the required information to complete registration before the following registration deadline.

(Registration deadline: By 5:00 p.m. on Friday, June 16, 2023)

<https://mktg.daj.jp/public/application/add/8024>

- (2) On completion of the registration procedure, a registration confirmation email (hereinafter referred to as the "Registration Confirmation Email") stating your ID, password and other information you will need for virtual attendance on the day will be sent to your registered email address. The Registration Confirmation Email will set out in more detail how to attend the shareholders' meeting.

### 2. Questions on the day of the shareholders' meeting and how they will be dealt with

Shareholders who attend the shareholders' meeting virtually will be able to ask questions during the meeting using Desk Event's question function. Please note the following.

- (1) To virtually attend the shareholders' meeting and ask a question, you will need to be able to access Desk Event on your computer. You can access Desk Event on your computer through your browser. For further details, please refer to the Registration Confirmation Email you will be sent when you have completed the procedure for registering your virtual attendance.
- (2) 200 characters is the maximum allowed per question.
- (3) Since this shareholders' meeting is going to be held as a hybrid event, the time for Q&A may be limited. Please note, therefore, that even if you wish to ask a question, we may not be able to accept or answer all the questions received.
- (4) If the answer to a question requires detailed investigation, etc., we may not answer the question at the shareholders' meeting and provide a response by other means. We may also pass over or refrain from answering any question which

has nothing to do with the purpose of the shareholders' meeting, any question which has already been asked, any question whose answer might infringe on the rights or interests of clients or employees, etc. or any other abusive question which is clearly intended to disrupt the shareholders' meeting.

- (5) For the smooth running of the shareholders' meeting, we will only consider motions that have been submitted by shareholders who have attended the shareholders' meeting venue in person and will not accept motions proposed by shareholders who have attended virtually. This applies to all motions including those about the proceedings of the shareholders' meeting and its agenda. Accordingly, shareholders who may propose a motion are recommended to attend the shareholders' meeting venue in person.
- (6) If it is necessary to vote on a matter not stated in this Notice of Convocation, for example, if a motion is proposed by a shareholder who has attended the shareholders' meeting in person, shareholders who have attended virtually will not be able to express their approval or disapproval due to the nature of the voting system. In this case, based on the handling of shareholders who exercise their voting rights electronically or in writing in advance and do not attend on the day of the meeting, shareholders who have attended virtually will be deemed to have abstained from voting on the matter or to have been absent from the meeting.

### 3. Exercise of voting rights and handling of voting

Shareholders who attend virtually can exercise their voting rights using Desk Event's voting function only when voting is open during the meeting (you will be informed of the actual time in the Registration Confirmation Email sent on completion of registration). Please note the following.

- (1) If you have exercised your voting rights in advance of the meeting, your exercise of voting rights using Desk Event's voting function will take priority over your exercise of voting rights in advance of the meeting. Accordingly, if you have exercised your voting rights in advance of the meeting and then you have attended the meeting virtually and exercised your voting rights again using the Desk Event's voting function when voting is open, the voting rights you exercised before the meeting will be invalid; however, if you do not use Desk Event's voting function to vote while attending the meeting virtually, the voting rights you exercised before the meeting will remain valid.
- (2) If you do not exercise your voting rights in advance of the meeting and do not use Desk Event's voting function to exercise your voting rights when voting is open while attending the meeting virtually, you will be deemed to have abstained and treated like a shareholder who left the shareholders' meeting venue without voting.
- (3) When exercising your voting rights using Desk Event's voting function, you will indicate your approval or disapproval of proposals by selecting either "FOR" or "AGAINST." In the case of Proposed Resolution 2, you can vote in favor of certain candidates and against others; however, be sure to exercise your voting rights on all the proposals within the time that voting is open.
- (4) If you exercise your voting rights more than once when voting is open, only the last votes cast during the time voting is open shall be deemed valid.
- (5) If you only watch the proceedings streamed live on the Internet having exercised your voting rights in advance in writing or in advance over the internet, then the votes you exercised in advance will remain valid.

#### 4. Other points to note regarding virtual attendance

In addition to the foregoing, shareholders considering attending the shareholders' meeting virtually should also note the following points.

- (1) Please note that virtual attendance offers shareholders another means of attending the shareholders' meeting besides attending the shareholders' meeting venue in person and that technical constraints may inevitably mean that shareholders who attend the meeting virtually experience a different environment and different treatment from those attending the shareholders' meeting venue in person. Please do not attend the shareholders' meeting virtually if this is not acceptable to you.
- (2) While we take reasonable measures to prevent communication failure and other issues when convening and running a hybrid attendance-type virtual shareholders' meeting, there is still the possibility of communication failure and communication delay, for example, the communication environment or heavy website traffic may make it difficult to connect to the attendance-type virtual shareholders' meeting or may disrupt the live stream over the Internet and, in some circumstances, the live stream may be stopped. However, we assume no liability whatsoever for any disadvantage caused to shareholders as a result of such communication failure, etc. (including but not limited to disadvantage arising from a shareholder's failure to use the Recommended Environment). Shareholders who attend the shareholders' meeting virtually are recommended to attend virtually having exercised their voting rights in advance where possible. If we are prevented from live streaming the proceedings of the meeting over the Internet or in the event of any other changes, we will make an announcement on the IR page of the Company's website (<https://www.daj.jp/ir/>).
- (3) The Company limits virtual attendance to shareholders with applicable ID only. Accordingly, we request that shareholders who wish to have a proxy attend the meeting in their place delegate their authority to one other shareholder who will attend the shareholders' meeting venue in person on the day of the meeting in accordance with applicable laws and regulations and the Articles of Incorporation.
- (4) Shareholders who attend the meeting virtually are responsible for setting up the computer environment they will use to access the meeting and will also bear any Internet charges (provider connection charges, communication charges, etc.)
- (5) In addition to the foregoing, we may take appropriate measures in unforeseen circumstances and shareholders who attend the shareholders' meeting virtually may experience constraints and unexpected disadvantage compared with those who attend the shareholders' meeting venue in person.
- (6) It is strictly prohibited to publish, reproduce or copy the live stream images or voice data or to provide them to third parties.
- (7) Provision of the shareholder ID and password to any third party is strictly forbidden.
- (8) A shareholder attending the shareholders' meeting virtually may be blocked if the chairperson deems that such shareholder's actions are disrupting the meeting or otherwise obstructing the proceedings of the meeting.
- (9) Out of consideration for the privacy of the shareholders attending the shareholders' meeting venue in person, the live stream will show only the chairperson and officers, in principle.
- (10) The livestream audio will be in Japanese only.



(11) Contact for inquiries

Digital Arts Inc. Shareholders' Meeting Secretariat: +81-3-5220-6015

\*Please note that depending on how busy the line is, you may have difficulty getting through or it may take time answering your call.

## Appropriation of Surplus

The Company recognizes the return of profits to shareholders as one of its most important management tasks. While the Company maintains internal reserves to enhance its financial standing, expand existing businesses and develop new businesses, the Company adopts a basic policy to deliver adequate and stable returns to shareholders, taking into consideration its operating performance. Based on this policy, the year-end dividend per share for the fiscal year ended March 31, 2023 would be as follows:

Type of dividend property	Cash
Matters relevant to dividend property and its total cash amount	40 yen per common stock of the Company Total cash amount is 561,566,680 yen
Effective date of distribution of surplus	June 26, 2023

**Election of Two (2) Directors (excluding Directors who are Audit and Supervisory Board Members)**

The terms of office for all two (2) Directors (excluding Directors who are Audit and Supervisory Board Members) will expire at the conclusion of this Meeting. Therefore, the Company asked for two (2) Directors to be appointed.

The candidates are as follows:

No.	Name		Current Position and Responsibilities at the Company	Board Meeting Attendance
1	Toshio Dogu	Re-election	Representative Director, President and Chief Executive Officer, and General Manager-Corporate Planning	100% (13/13)
2	Takuya Matsumoto	Re-election	Director, General Manager-Development	100% (13/13)

No.	Name (Date of Birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of the Company shares owned
1	<div style="border: 1px solid black; padding: 2px; display: inline-block; margin-bottom: 5px;">Re-election</div> <b>Toshio Dogu</b> (Feb. 17, 1968)	Oct. 1997 Representative Director, President & CEO, Digital Arts Inc. Oct. 2003 General Manager-Corporate Planning Mar. 2005 Director, IQS' Co., Ltd. Nov. 2005 Representative Director, President & CEO, IQS' Co., Ltd. Dec. 2006 Representative Director, President & CEO, DAM Corporation (incumbent) Apr. 2011 Director, President & CEO, Digital Arts America, Inc. (incumbent) June 2012 Director, Digital Arts Investment, Inc. May 2013 Representative Director, President & CEO, Polkast Japan LLC Oct. 2013 Representative Director, President & CEO, DA Corporation (incumbent) Oct. 2013 Representative Director, President & CEO, DM Corporation (incumbent) Apr. 2014 Director, President and CEO, FinalCode, Inc. Nov. 2014 Representative Director, President & CEO, General Manager- Sales, Digital Arts Inc. Apr. 2015 Representative Director, President & CEO, General Manager- Sales, General Manager-FinalCode Business, Digital Arts Inc. Nov. 2015 Director, Digital Arts Asia Pacific Pte. Ltd. (incumbent) Apr. 2016 Representative Director, President & CEO, General Manager- Sales, Digital Arts Inc. Apr. 2016 Representative Director, Chairman, Digital Arts Consulting Inc. (incumbent) Sep. 2016 Director, Digital Arts Europe Limited (incumbent) Apr. 2017 Representative Director, President & CEO, General Manager-Sales, General Manager-Marketing, General Manager-Corporate Planning, Digital Arts Inc. Apr. 2018 Representative Director, President & CEO, General Manager-Sales, General Manager-Marketing, Digital Arts Inc. Oct. 2019 Representative Director, President & CEO, General Manager-Sales, General Manager-Marketing, General Manager-Corporate Planning, General Manager- Administration, Digital Arts Inc. Feb. 2020 Representative Director, President and Chief Executive Officer, Digital Arts Inc. Aug. 2022 Representative Director, President and Chief Executive Officer, and General Manager-Corporate Planning, Digital Arts Inc. (incumbent)	2,253,226 shares
Reasons for selection as a candidate: For many years since the founding of the Company, Toshio Dogu has taken command of the Group's overall management as President and he continues to play an instrumental role in the growth of the Group as a whole by strengthening the Group's revenue base through the establishment of business models and developing innovations in Group management to create synergy. Based on his deep insight into management, his track record, and his advanced skills, the Company believes that Mr. Dogu can continue contributing to the enhancement of the Group's corporate value in the medium and long term and sustainable development in the future and has, therefore, designated him as a candidate for Director again.			

No.	Name (Date of Birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of the Company shares owned
2	<div style="border: 1px solid black; padding: 2px; display: inline-block; margin-bottom: 5px;">Re-election</div> <b>Takuya Matsumoto</b> (Nov. 4, 1976)	Apr. 1999 Joined COMAS Co., Ltd. Apr. 2003 Joined Digital Arts Inc., Development Apr. 2014 Associate General Manager-Development Oct. 2016 General Manager-Development June 2017 Director, General Manager-Development Dec. 2017 Director, General Manager-Development, General Manager-New Product Development Apr. 2018 Director, General Manager-Development (incumbent) Oct. 2019 Director, Digital Arts Consulting Inc. (incumbent)	3,115 shares
Reasons for selection as a candidate: As a developer, Takuya Matsumoto has engaged in a number of the Company's mainstay products and led new product development, thereby accelerating the Company's business growth and innovation and supporting the Group's growth as a senior manager of its development operations. Based on his track record, experience, and advanced specialization, the Company believes that Mr. Matsumoto can contribute to the further enhancement of corporate value and has, therefore, designated him as a candidate for Director again.			

- (Note) 1. None of the above candidates have any special interest in the Company.  
 2. The number of the Company shares owned represents figures as of March 31, 2023.  
 3. The number of the Company shares owned includes the number of equities held by the Shareholding Association made up of Directors.

## Election of One (1) Director who is an Audit and Supervisory Board Members

The term of office of Ms. Chise Kuwayama, who is a director serving as an Audit and Supervisory Board member, will expire at the conclusion of this Meeting. Therefore, the Company asked for one (1) Director, who serve as an Audit and Supervisory Board member, to be appointed. The submission of this proposal at this Meeting was approved by the Audit and Supervisory Board.

The candidate is as follows:

Name (Date of Birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of the Company shares owned
<div style="border: 1px solid black; padding: 2px; display: inline-block; margin-bottom: 5px;">Re-election</div> <b>Chise Kuwayama</b> (May 2, 1971)	Apr. 1995    Joined Dai-ichi Mutual Life Insurance Company (currently, The Dai-ichi Life Insurance Co., Ltd.) Nov. 2004    Joined Tohmatsu & Co. (currently, Deloitte Touche Tohmatsu LLC) Mar. 2015    Outside Standing Audit and Supervisory Board Member, Ceres Inc. Mar. 2021    Outside Director (Full-time Audit and Supervisory Board Member), Ceres Inc. June 2021    Outside Director (Audit and Supervisory Board Member), Digital Arts Inc. (incumbent) June 2022    Outside Standing Audit & Supervisory Board Member, Sony Network Communications Smart Platform, Inc. (currently, MEEQ Inc.) (incumbent)	159 shares

Reasons for nomination as a candidate for Outside Director who is an Audit and Supervisory Board Member and expected roles:

As a certified public accountant, Ms. Chise Kuwayama has expertise in financial affairs and accounting. Based on this knowledge, the Company expects that she will supervise management from a practical and multi-faceted perspective and will contribute to further strengthening the Company corporate governance from an independent standpoint. For this reason, the Company has designated her as a candidate for Outside Director. The role which Ms. Kuwayama will be expected to perform if appointed as Outside Director is to use her own knowledge of management policy and strategy to expedite the Company's sustainable growth and achieve enhancement of corporate value in the medium and long term. For the reasons described above, the Company made the decision that Ms. Kuwayama could adequately carry out her assignment as Outside Director, even though she has never been involved in corporate management except as outside officer.

(Note) 1. This candidate has no special interest in the Company.

2. Ms. Chise Kuwayama is a candidate for Outside Director.

3. The Company has executed a contract with Ms. Chise Kuwayama on the limitation of liability for damages as provided for under the provisions of Paragraph 1, Article 423 of the Companies Act according to the provisions of Paragraph 1, Article 427 thereof. The maximum amount of liability based on this agreement shall be the minimum amount stipulated in Paragraph 1, Article 425 of the Companies Act, and if the appointment of Ms. Kuwayama is approved, the Company intends to continue the aforementioned agreement with her.

4. Ms. Chise Kuwayama is currently an Outside Director serving as an Audit and Supervisory Board members, whose term of office will be two years at the conclusion of this Meeting.

5. The Company has notified the Tokyo Stock Exchange, Inc. of Ms. Chise Kuwayama as independent director. When she is reappointed, she will continue to serve as an independent director.

6. The number of the Company shares owned represents figures as of March 31, 2023.

7. The number of the Company shares owned includes the number of equities held by the Shareholding Association made up of Directors.

End

## (Reference) Skills matrix of Directors after this Annual Shareholders' Meeting

The Company appoints human resources having rich experience, broad insight, and advanced specialization as Directors to supervise decision making and business management appropriately and at a higher level and to achieve a continuous increase in corporate value. In addition, the Company is improving the function of supervising management, including the performance of duties and monitoring, by establishing a structure with overall balance, while also considering diversity, after defining the knowledge and experience deemed important in deliberations and decision making at meetings of the Board of Directors.

	Name	Positions and responsibilities in the Company			Independent officer	Nomination and Remuneration Advisory Committee	Knowledge, experience, and abilities particularly expected by the Company						
							Corporate management	Product development Innovation	Human resources development Personnel strategy	Business Experience in the Industry	Finance Accounting	Legal affairs Compliance Risk management	ESG Sustainability
1	Toshio Dogu	Representative Director				● (Chair)	○	○	○	○		○	
2	Takuya Matsumoto	Director						○	○	○			
3	Kiyoto Inomata	Director	Audit and Supervisory Board Member (Full-time)					○		○		○	○
4	Hidekazu Kubokawa	Director	Audit and Supervisory Board Member	External	●	●	○			○	○	○	○
5	Masataka Uesugi	Director	Audit and Supervisory Board Member	External	●	●	○			○		○	○
6	Chise Kuwayama	Director	Audit and Supervisory Board Member	External	●	●				○	○	○	○

Note: This table does not cover all of the knowledge, experience and skills of the Directors.