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To whom it may concern

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Notice of Disposal of Treasury Shares as Restricted Stock Compensation

Digital Arts Inc. (the "Company") hereby announces that a meeting of the Board of Directors held today passed a resolution regarding disposal of the Company's treasury shares for restricted stock compensation (the "Disposal of Treasury Shares"). Details are as follows.

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1. Overview of disposal

(1) Payment date	July 17, 2026
(2) Type and number of shares to be disposed of	Common shares of the Company: 4,144 shares
(3) Disposal value	3,570 yen per share
(4) Total disposal amount	14,794,080 yen
(5) Allottees	Two Directors of the Company(*) 4,144 shares *Excluding directors who are Audit & Supervisory Board members and outside directors

2. Purpose and reason for the disposal

The Company's Board of Directors passed a resolution to introduce a stock compensation program (hereinafter the "Program") in its meeting held on May 31, 2019. The Program was designed to provide restricted stock to the Company's directors, excluding those who are also Audit & Supervisory Board members and outside directors (hereinafter "Eligible Directors"), to facilitate their sharing in the benefits and risks of the fluctuation of the stock price with shareholders and further increase their motivation to work to increase the price of the Company's stock as well as its corporate value. At the

24th Annual General Meeting of Shareholders on June 24, 2019 proposals were approved, including the proposal to cap the annual total amount of monetary compensation claims to be paid to Eligible Directors under the Program as restricted stock compensation, etc. at 50 million yen, to cap the total number of shares of stock allocated to Eligible Directors in each fiscal year at 5,000 and to determine that the transfer restriction period applicable to the restricted stock be determined by the Board of Directors within the range of twenty to thirty years. Furthermore, at the 31st Annual General Meeting of Shareholders held on June 26, 2026, shareholders approved an amendment to the transfer restriction period applicable to the restricted stock, changing it to a period of three years or longer as determined by the Board of Directors, with the aim of further strengthening incentives for medium-term business performance improvement and the sustainable enhancement of corporate value throughout the tenure of Eligible Directors, while promoting value sharing with shareholders.

Earlier today, the Company's Board of Directors passed a resolution to pay monetary compensation claims totaling 14,794,080 yen to two Eligible Directors (hereinafter the "Eligible Allottees") to whom restricted stock compensation would be allotted for the period from the Company's 31st Annual General Meeting of Shareholders to its 32nd, which is scheduled in June 2027, and to allot 4,144 shares of the Company's common stock to the Eligible Allottees as specified restricted stock after they provide all of the monetary compensation claims concerned as investment in kind. The amount of monetary compensation claims for each of the Eligible Allottees in the Company is decided taking into consideration various factors including contributions. This amount of monetary compensation claims will be provided to the Eligible Allottees subject to conditions including the one that each Eligible Allottee executes an agreement with the Company for the allocation of restricted stock that contains the following provisions ("Allocation Agreement").

3. Overview of Allocation Agreement

(i) Transfer restriction period

From July 17, 2026 to July 16, 2029

During the restricted period of transfer specified above ("Transfer Restriction Period"), an Eligible Allottee shall not transfer, pledge, offer as security of transfer, donate before death, bequeath or otherwise dispose of the restricted stock allotted to such Eligible Allottee ("Allotted Shares") to a third party ("Restriction on Transfer").

(ii) Acquisition of restricted shares without compensation

If an Eligible Allottee resigns or retires from any position as a director or employee of the Company or any of its subsidiaries on the start date of the Transfer Restriction Period or later and not later than the day before the date of the first Annual General Meeting of Shareholders the Company holds after the start date of the Transfer Restriction Period, the Company will automatically acquire the Allotted Shares without compensation at the time of the Eligible Allottee resigns or retires except when there are reasons that are deemed justifiable by the Board of Directors.

In addition, if there are any Allocated Shares at the time of expiration of the Transfer Restriction Period of Transfer (hereinafter referred to as the "Expiration of the Period") for which the Restriction on Transfer is not released pursuant to the provision of causes for release specified in the following (iii) lifting of the Restriction on Transfer, the Company will automatically acquire such Allocated Shares without considerations immediately after the Expiration of the Period.

(iii) Termination of transfer restriction

The Company will lift the transfer restrictions on all the Allotted Shares held by an Eligible Allottee when the Transfer Restriction Period ends, provided the Eligible Allottee continues to be either a director or employees of the Company or a subsidiary of the Company from the beginning of the Transfer Restriction Period until the Company's first annual general shareholders' meeting in the period. However, if an Eligible Allottee resigns or retires from any position as a director or employee of the Company or any of its

subsidiaries before the maturity of the Transfer Restriction Period for any reason that the Board of Directors deems justifiable, the Company will lift, on the expiration of their terms of office, or immediately after their resignation or retirement, the transfer restrictions on the number of Allotted Shares calculated by dividing the number of months from July 2026 to the month the date of the resignation or retirement of the Eligible Allottee from any position as director or employee of the Company or any of its subsidiaries falls within by 12 (this number shall be one if the resulting figure exceeds one) and multiplying this number by the number of the Allotted Shares owned by the Eligible Allottee at the time of their resignation or retirement (with any fraction below one disregarded).

(iv) Provisions regarding the management of shares

Eligible Allottee shall complete the procedure to open an account at SMBC Nikko Securities Inc. to register or record the Allocated Shares in such manner as designated by the Company, and shall store and maintain the Allocated Shares in such account during a period until the Restriction on Transfer is released.

(v) Handling in the case of organizational restructuring, etc.

If the Company's shareholders approve a proposal regarding a merger agreement under which the Company would cease to exist, a stop swap agreement under which the Company would become a wholly owned subsidiary, a stock transfer plan, or any other organizational restructuring (limited to any restructuring which has an effective date before the expiration of the transfer restriction period; hereinafter an "Organizational Restructuring Approval Event") at a General Meeting of Shareholders (or the Board of Directors approves such a proposal if approval at a General Meeting of Shareholders is not required) and the organizational restructuring results in the resignation or retirement of an Eligible Allottee from any position as director or employee of the Company or any of its subsidiaries, the Company will, upon resolution of the Board of Directors, lift, immediately prior to the business day before the effective date of the organizational restructuring, the transfer restrictions on the number of Allotted Shares calculated by dividing the number of months from July 2026 to the month the date the proposal is approved falls within by 12 (this number shall be one if the resulting figure exceeds one) and multiplying this number by the number of the Allotted Shares owned by the Eligible Allottee on the date the proposal is approved (with any fraction below one disregarded).

In the Event of the Approval of Organizational Restructuring, the Company will automatically acquire all the number of Allotted Shares without consideration on the business day before the effective date of such organization restructure, etc. for which the Restriction on Transfer is not released on the same day.

4. Calculation basis of payment amounts and relevant details

To exclude any arbitrariness, Disposal price in the Disposal of Treasury Shares shall be 3,570 yen which is the closing price of the Company's common stock at Tokyo Stock Exchange on the business day (June 25, 2026) before the date of resolution in the Board of Directors meeting. This is the market price immediately before the date of resolution in the Board of Directors meeting, which the Company believes is reasonable and is not deemed an advantageous price.