

**Notice Concerning Capital and Business Alliance with,
and Subscription to Third-Party Share Allocation by, ArtSpark Holdings Inc.**

Tokyo, April 11, 2022 ----- Wacom Co., Ltd. (the “Company”) hereby announces that the Company has resolved, at the meeting of the Board of Directors, to conclude a capital and business alliance (the “Alliance”) with ArtSpark Holdings Inc. (“ArtSpark”) and to acquire new shares issued by ArtSpark through third-party allocation (the “Third-Party Share Allocation”). The Company also hereby announces that the Company has entered into an agreement with regard to the Alliance with ArtSpark.

While this matter does not fall within the scope of timely disclosure standards as stipulated by the Tokyo Stock Exchange regulations, the Company has determined it to be useful information and is thus disclosing it voluntarily.

1. Purpose and Reason for the Alliance

The Company is a “Technology Company” that provides customers with a unique digital pen and ink experience – digital writing and drawing. Under the “Life-long Ink” vision, which aims to deliver the value created by digital ink technology to customers throughout their lives, we deliver the best digital drawing and writing experiences.

ArtSpark is in the business of digital content creation, utilization and applications. ArtSpark and the Company have a history of collaboration such as bundling the Company’s pen tablets with “CLIP STUDIO PAINT,” the illustration, manga and animation software by CELSYS, Inc., a subsidiary of ArtSpark. Both companies take pride in the combined efforts to nurture and lead the development of world’s creative communities for over 20 years.

For the Company to strengthen its technology leadership by facilitating community engagement and creating new values based on new core technologies, we have decided to form the Alliance with ArtSpark. For more information, please also refer to the press release to be distributed today.

2. Content of the Alliance

(1) Content of the Capital Alliance

An overview of the Third-Party Share Allocation is as follows. For more information, please refer to “Notice Concerning the Execution of the Capital and Business Alliance Agreement and Issuance of New Shares through Third-Party Allocation” released by ArtSpark today.

① Shares to be subscribed	Common stock: 1,813,500 shares
② Amount to be paid in per share	JPY 883 per share
③ Total amount to be paid in	JPY 1,601,320,500
④ Due date of payment	April 28, 2022
⑤ Holding ratio of outstanding issued shares (excluding treasury stock) after the subscription to the Third-Party Share Allocation	5.03%

The Company plans to acquire common shares of ArtSpark through market purchase, ensuring that the holding ratio of outstanding issued shares (excluding treasury stock of ArtSpark) does not exceed 10%, together with the common shares acquired through the Third-Party Share Allocation. The Company will not acquire common shares of ArtSpark through market purchase as long as the Company holds insider information of ArtSpark obtained through business activities.

(2) Content of the Business Alliance

- ① Co-development of creative work/experience through a combination of Wacom products and CLIP STUDIO PAINT, for education and other specific purposes.
- ② Co-development to deliver new values through a combination of KISEKI ART service* and CLIP STUDIO PAINT.
- ③ Implementation of technologies for protection and management of rights and authorship of digital artwork into CLIP STUDIO PAINT and looking into related service operations.
- ④ Collaboration and development to enable new creative workflows through a combination of Wacom products, new features and CLIP STUDIO PAINT.
- ⑤ Co-development and proposal for partner companies through a combination of Wacom products and CLIP STUDIO PAINT.

On top of these, both companies will work on continuous co-development toward user experience enhancement through combination of Wacom products and CLIP STUDIO PAINT.

*KISEKI ART service is an R&D effort to visualize contexts of creators' works to exploit and realize new values/experiences for creators and creatives fans.

3. Overview of the Counterparty to the Alliance

(1) Name	ArtSpark Holdings Inc.	
(2) Location	Pacific Marks Shinjuku, 4-15-7 Nishi-Shinjuku, Shinjuku-ku, Tokyo	
(3) Job Title and Name of Representative	Kei Narushima, Representative Director and President	
(4) Description of Business	Management of subsidiaries in the UI/UX and creator support business	
(5) Share Capital	2,275 million yen	
(6) Date of Establishment	April 2, 2012	
(7) Major Shareholders and Ownership Ratios	BNYM SA/NV FOR BNYM FOR BNY GCM CLIENT ACCOUNTS M LSCB RD (standing proxy: MUFJ Bank, Ltd.)	5.45%
	LINE Digital Frontier Corporation	5.03%
	Masahiro Sumiyama	4.67%
	The Master Trust Bank of Japan, Ltd. (Trust Account)	3.89%
	SOCIETE GENERALE PARIS/BT REGISTRATION MARC/OPT (standing proxy: Societe Generale Securities Japan Limited)	3.06%
	Nomura Securities Co., Ltd. (standing proxy: Sumitomo Mitsui Banking Corporation)	2.31%
	Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.	1.83%
	UEDA YAGI TANSHI Co., Ltd.	1.60%
	Tokuro Nakamura	1.54%
	Naoki Hayakawa	1.40%
(8) Relationship between the Company and said company	Capital relationship	Not applicable
	Personnel relationship	Not applicable

	Business relationship	The Company and CELSYS, Inc., a subsidiary of ArtSpark, have a business relationship in support business for creators operated by CELSYS, Inc.		
	Related party relationship	Not applicable		
(9)	Consolidated operating results and consolidated financial positions of said company for the last three years			
	Fiscal year	Fiscal year ended December, 2019	Fiscal year ended December, 2020	Fiscal year ended December, 2021
	Consolidated net assets	4,528	4,020	6,576
	Consolidated total assets	5,811	5,638	8,344
	Consolidated net assets per share (Yen)	138.65	123.01	191.46
	Consolidated net sales	5,381	6,373	6,890
	Consolidated operating profit	241	773	1,378
	Consolidated ordinary profit	230	747	1,419
	Profit attributable to owners of parent	241	-475	1,222
	Consolidated earnings per share (Yen)	7.85	-14.57	37.49
	Dividend per share (Yen)	1.50	2.50	3.00

(Millions of yen, unless otherwise noted)

- (Note) 1. Information listed in the above table is as of December 31, 2021, unless otherwise noted.
2. ArtSpark split its one (1) common share into four (4) common shares effective as of July 1, 2021, and the numbers of shares after the share split are considered.
3. Ownership Ratios in the above table are the holding ratios of outstanding issued shares (excluding treasury stock).
4. Although it is stated in the Report of Possession of Large Volume provided for public inspection as of October 29, 2021 that Barclays Securities Japan Limited holds the shares as stated in the following table, it is not possible to confirm the number of shares actually owned by Barclays Securities Japan Limited as of December 31, 2021, according to ArtSpark. Accordingly, the Company does not include the following information to the above "Major Shareholders and Ownership Ratios". The content of the Report of Possession of Large Volume is as follows:

Name	Address	Number of holding shares	Holding ratio of shares (%)
Barclays Securities Japan Limited	6-10-1, Roppongi, Minato-ku, Tokyo	2,018,127	6.17

4. Timetable

(1)	Date of resolution at the meeting of the Board of Directors	April 11, 2022
(2)	Date of execution of the agreement with regard to the Alliance	April 11, 2022
(3)	Date of payment for the Third-Party Share Allocation	April 28, 2022 (scheduled)

5. Future Outlook

The Company expects that the impact of the Alliance on the Company's consolidated business performance for the fiscal year ending March 31, 2023 will be minimal. However, if there are any matters

that should be disclosed in the future, the Company will promptly announce them as soon as they become known.

(*) This is translated to English from a Japanese announcement solely for convenience of non-Japanese readers.

For inquiries:

IR, Wacom Co., Ltd.

Telephone: +81-3-5337-6502

IR Website:

<https://investors.wacom.com/en-jp/>



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<Press Release>

**ArtSpark and Wacom agree to form capital and business alliance
Providing meaningful solutions to support development of creative community**

April 11, 2022 (Tokyo, Japan) – ArtSpark Holdings Inc. and Wacom Co, Ltd. today announced that the two companies have agreed to form a capital and business alliance. ArtSpark will issue new shares equivalent to 5% of its current share unit number through a third-party allocation, and Wacom will buy the newly issued shares. In addition, Wacom will purchase shares of ArtSpark from the stock market, where Wacom’s combined share-holding ratio is limited to less than 10%.

ArtSpark and Wacom have a history of collaboration such as bundling Wacom’s pen tablets with “CLIP STUDIO PAINT,” the illustration, manga and animation app by CELSYS, Inc., owned by ArtSpark. Both companies take pride in the combined efforts to nurture and lead the development of the world’s creative communities for over the past 20 years.

The alliance will further the collaboration between the two-companies. ArtSpark and Wacom strive to deliver meaningful, valuable experiences to partners and customers, through efforts in applications and services leveraging technology developments which both companies are involved in, as well as projects Wacom has been leading with other industry players.

As such, ArtSpark and Wacom will carry out the initiatives listed below, with a view to contributing to long-lasting growth of the world’s creative industries through Japanese illustration and manga culture, as well as developing and delivering solutions to support new business workflows and new ways of learning. In addition, both companies will support creators and community partners to fulfill their creative activities throughout their careers, by developing technologies which address future needs and implementing them in products, opening new avenues of value creation while protecting their copyrights.

- (1) Co-development of creative work/experience through combination of Wacom products and CLIP STUDIO PAINT, for education and other specific purposes.
- (2) Co-development to deliver new values through a combination of KISEKI ART service and CLIP STUDIO PAINT.
- (3) Implementation of technologies for protection and management of rights and authorship of digital artwork into CLIP STUDIO PAINT, and looking into related service operations.
- (4) Collaboration and development to enable new creative workflows through combination of Wacom products, new features and CLIP STUDIO PAINT.
- (5) Co-development and proposal for partner companies through combination of Wacom products and CLIP STUDIO PAINT.

In addition to the above, both companies will work on continuous co-development toward user experience enhancement through a combination of Wacom products and CLIP STUDIO PAINT.

*KISEKI ART service is an R&D effort to visualize contexts of creators’ works to exploit and realize new values/experiences for creators and creative fans.

“As the instrument provider dedicated to support our customers throughout their lives, Wacom creates and delivers valuable experiences based on technology innovation, and we learn a lot with diverse



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communities in pursuit of meaningful, multi-dimensional growth for people and society as a whole,” said Nobutaka Ide, Wacom’s CEO and Representative Director. “We believe we can create and deliver to our customers truly meaningful experiences around hand-writing and drawing, through the alliance with ArtSpark and we can grow together further into the future, learning from each other,” he added.

“ArtSpark’s subsidiary CELSYS, Inc., is in the business of supporting creative activities of artists for graphic fields as well as content distribution through digital technologies. I am looking forward to seeing what this alliance has in store, deepening the two-company partnership further and accelerating the challenge of delivering new values and experiences to artists and our audience,” said Kei Narushima, ArtSpark’s President and Representative Director.

<About Wacom>

Founded in 1983, Wacom is a global company based in Japan with subsidiaries and affiliate offices around the world to support marketing and distribution in over 150 countries and areas. It is the world’s leading manufacturer of pen tablets, interactive pen displays, and digital interface solutions. The advanced technology of Wacom’s intuitive input devices has been used to create some of the most exciting digital art, films, special effects, fashion and designs around the world and provides business and home users with their leading interface technology to express their personality. The company also offers its products as OEM solutions to leading manufacturers serving incremental markets. Wacom’s interface technology, called Wacom Feel IT technologies, is also offered as an integrated solution to strategic partners. Most tablet device and PC manufacturers count on the advanced features and reliability to deliver a superior user interface experience. Wacom is listed on the Tokyo Stock Exchange Prime Market (No. 6727).

For more information, please contact:

Corporate Communications, Wacom Co., Ltd Wacom-pr@wacom.co.jp +81-3-5337-6702

<About ArtSpark Holdings>

Focused on furthering R&D and implementation of graphic technology, ArtSpark Holdings offers its services to customers worldwide through two distinct business units: the Creator Support unit and the UI/UX unit. The Creator Support unit, operated by Celsys, offers the illustration, manga, and animation app, Clip Studio Paint, as well as e-book solutions that facilitate content delivery, supporting the entire creative pipeline from content creation to access and distribution to a global consumer base.

For more information, please contact:

ArtSpark Holdings Inc.

press@artspark.co.jp