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Securities Code: 4819

June 3, 2021

To Our Shareholders:

Kaoru Hayashi, Representative Director
Digital Garage, Inc.
3-5-7 Ebisu Minami, Shibuya-ku, Tokyo

Notice of the 26th Ordinary Shareholders' General Meeting

We are pleased to announce the 26th Ordinary Shareholders' General Meeting of Digital Garage, Inc. (the "Company"), which will be held as indicated below.

If you are unable to attend the meeting in person, you may exercise your voting rights by either of the following methods. Please review the attached Reference Documents for the Shareholders' General Meeting and exercise your voting rights.

[Exercising your voting rights in writing]

Please indicate your approval or disapproval for each proposal on the enclosed voting card, and post it so as to arrive no later than 6:30 p.m. on Tuesday, June 22, 2021 (JST).

[Exercising your voting rights on the Internet]

Please access to the Website for Exercising Voting Rights designated by the Company (<https://www.web54.net>) and enter your approval or disapproval for each proposal to exercise your voting rights by no later than 6:30 p.m. on Tuesday, June 22, 2021 (JST).

The Company's measures at the 26th Ordinary Shareholders' General Meeting to prevent the spread of novel coronavirus disease (COVID-19) are as outlined below. We ask for the cooperation and understanding of all shareholders.

<The Company's responses>

- The officials and staff at the meeting will have their temperatures checked and be wearing face masks.
- Face masks and alcohol-based sanitiser will be available near the venue reception.
- To prevent infection within the venue, the spaces between seats will be increased and the number of seats will be less than usual.
- For the safety of all shareholders attending the meeting, you will be asked to have your temperatures checked by the meeting staff before entering the venue. (Two temperature checks: when arriving at reception and before entering the venue for the meeting)

<Requests for Shareholders>

- Please exercise your voting right prior to the meeting in writing (and return the voting card by post) or via the internet.
- We recommend that you refrain from attending regardless of health conditions, giving top priority to the health and safety of shareholders.
- In particular, we strongly recommend that you refrain from attending if you are elderly, have an underlying disease or are pregnant.
- Please be aware that meeting staff may ask shareholders attending who look unwell to refrain from entering the meeting.
- Please note in advance that by conducting proceedings in a smooth, brief manner, the meeting is expected to run for a shorter time than usual.

If there are any significant changes in the arrangements or the venue for the Shareholders' General Meeting, depending on the future situation, we will publish the information as it becomes available on the Company's website (<https://www.garage.co.jp/ja/ir/>).

- 1. Date and Time:** Wednesday, June 23, 2021, at 10:00 a.m. (Reception starts at 9:30 a.m.)
- 2. Venue:** Dragon Gate (DG's conference hall) 18F Shibuya PARCO DG Building
15-1 Udagawa-cho, Shibuya-ku, Tokyo
(The number of seats that we can provide is limited because we will need to space them out to help prevent the spread of COVID-19. As a result, it is possible that not everyone who comes to the meeting will be able to enter the venue. We appreciate your understanding.)

3. Purpose of the Meeting

Matters to be reported:

1. The Business Report and the Consolidated Financial Statements for the 26th fiscal year (from April 1, 2020 to March 31, 2021), and the results of audits of the Consolidated Financial Statements by the Financial Auditor and the Audit and Supervisory Committee
2. The Non-consolidated Financial Statements for the 26th fiscal year (from April 1, 2020 to March 31, 2021)

Matters to be resolved:

Proposal No. 1: Dividends of Surplus

Proposal No. 2: Election of Eight (8) Directors who are not Audit and Supervisory Committee Members

When you attend the meeting, you are kindly requested to present the enclosed voting card at the reception.

If any changes are made to items in the reference documents for the shareholders' general meeting and the business report, or to consolidated financial statements and non-consolidated financial statements, such changes will be posted on the Company's website.

The Company's website: https://www.garage.co.jp/ja/ir/
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Reference Documents for the Shareholders' General Meeting

Proposals and Reference Information

Proposal No. 1: Dividends of Surplus

The Company views shareholder returns as one of its principal management concerns. Decisions about dividends are based on considerations of factors such as financial condition, business performance outlook and future funding needs.

The Company will work to increase capital efficiency through various investments that contribute to increasing corporate value, business alliances and other means while ensuring financial soundness going forward, and maintain stable dividends.

The Company, taking into account factors such as operating results for the fiscal year under review and future business development, proposes to pay dividends of surplus (year-end dividends) for the 26th fiscal year as follows:

Year-end dividends

Type of dividend property:	Cash
Allotment of dividend property and aggregate amount thereof:	¥32 per common share of the Company ¥1,474,503,680 in total
Effective date of dividends of surplus:	Thursday, June 24, 2021

Proposal No. 2: Election of Eight (8) Directors who are not Audit and Supervisory Committee Members

At the conclusion of this meeting, the terms of office of all nine (9) Directors who are not Audit and Supervisory Committee Members of the Company will expire. At this juncture, the Company proposes to elect eight (8) Directors who are not Audit and Supervisory Committee Members.

It is the policy of the Company to select suitable people who have outstanding personalities and insight in addition to the knowledge and experience to execute the business of the Company accurately, fairly and efficiently as candidates for Directors (excluding Audit and Supervisory Committee Members and Outside Directors). In addition, it is the policy of the Company to select suitable people who have outstanding personalities and insight, and are able to provide advice regarding overall management based on their own knowledge, as well as appropriately represent the views of minority shareholders and other stakeholders at the Board of Directors from an independent standpoint as Outside Directors who are not Audit and Supervisory Members. Based on these policies, the President Executive Officer proposed candidates and reports were received from the Nomination and Remuneration Advisory Committee, over half of whose members were independent Outside Directors, regarding whether the candidates were appropriate. After this, the candidates were approved by the Board of Directors.

The candidates for Directors who are not Audit and Supervisory Committee Members are as follows:

No.	Name		Present position in the Company
1	Kaoru Hayashi	<u>Reelection</u>	Representative Director, President Executive Officer and Group CEO
2	Makoto Soda	<u>Reelection</u>	Director, Senior Managing Executive Officer
3	Keizo Odori	<u>Reelection</u>	Director, Senior Managing Executive Officer
4	Masashi Tanaka	<u>Reelection</u>	Director, Senior Executive Officer
5	Masahito Okuma	<u>Reelection</u>	Director, Senior Executive Officer
6	Hiroshi Shino	<u>Reelection</u>	Director, Senior Executive Officer
7	Joichi Ito	<u>Reelection</u>	Director
8	Emi Omura	<u>Reelection</u> <u>Outside</u> <u>Independent</u>	Outside Director

Candidate No.	Name (Date of birth)	Career Summary, and Position and Responsibility in the Company (Significant Concurrent Positions outside the Company)
1 Reelection	Kaoru Hayashi (December 26, 1959) Number of the Company's Shares Owned: 6,830,300 shares	<p>Apr. 1983 Representative Director, From Garage, Inc.</p> <p>Aug. 1995 Founded the Company Representative Director, the Company</p> <p>Dec. 1996 Representative Director, K Garage, Inc. (now Representative Partner, K Garage, G.K.) (current position)</p> <p>June 2003 Chairman and Director, Kakaku.com, Inc. (current position)</p> <p>Nov. 2004 Representative Director, President and Group CEO, the Company</p> <p>Oct. 2013 Director and Chairman, VeriTrans Inc. (now DG Financial Technology, Inc.) (current position)</p> <p>Oct. 2013 Director and Chairman, ECONTEXT, INC. (current position)</p> <p>Oct. 2015 Director President & Chairman, econtext Asia Limited (current position)</p> <p>July 2016 Director Chairman & CEO, Digital Garage US, Inc. (current position)</p> <p>July 2016 Director, DG Daiwa Ventures, Inc. (current position)</p> <p>Sept. 2016 Representative Director, Chairman and CEO, BI. Garage, Inc. (current position)</p> <p>Sept. 2016 Representative Director, President Executive Officer and Group CEO, the Company (current position)</p> <p>May 2017 Representative Director and Chairman & President, DG Incubation, Inc. (now DG Ventures, Inc.) (current position)</p> <p>Aug. 2018 Representative Director and Chairman, DG Communications Co., Ltd. (current position)</p> <p>Sept. 2018 Director, Crypto Garage, Inc. (current position)</p> <p>Jan. 2021 Director, DG Incubation, Inc. (current position)</p>
<p>Reason for the nomination as candidate for Director</p> <p>Having paid particular attention to the potential of the Internet service in Japan from its predawn era, Kaoru Hayashi, as founding business manager of the Company, has created new Internet businesses since founding the Company in 1995. In addition, he has driven the Group business management and contributed to expansion of the business, leveraging his wealth of insights about overall Internet business. The Company therefore expects him to continue appropriately overseeing business operation of the Company and driving its medium- to long-term growth strategy, and nominated him as a candidate for Director.</p>		

Candidate No.	Name (Date of birth)	Career Summary, and Position and Responsibility in the Company (Significant Concurrent Positions outside the Company)
2 Reelection	Makoto Soda (June 30, 1963) Number of the Company's Shares Owned: 20,200 shares	June 1994 Joined Dresdner Kleinwort Benson Securities, Ltd.
		June 1997 Joined Daiwa Institute of Research Ltd.
		Apr. 2000 Joined Monex Securities Inc.
		Mar. 2007 Joined the Company Executive Officer, in charge of the Corporate Strategy Division
		June 2009 Director, DG Incubation, Inc. (now DG Ventures, Inc.) (current position)
		Sept. 2009 Director, Head of Group CEO Office, the Company
		Jan. 2012 Director, in charge of the Corporate Strategy Division, the Company
		Sept. 2016 Director, Senior Executive Officer, in charge of the Corporate Strategy Division, and in charge of the Media Incubation Segment, the Company
		June 2017 Director, econtext Asia Limited (current position)
		Apr. 2019 Director, Senior Executive Officer, in charge of the Corporate Strategy Division, and in charge of the Long-term Incubation Segment, the Company
June 2019 Director, Senior Executive Officer, and in charge of the Corporate Strategy Division, the Company		
Apr. 2020 Director, Senior Managing Executive Officer, and in charge of the Corporate Strategy Division, the Company (current position)		
<p>Reason for the nomination as candidate for Director Since joining the Company, Makoto Soda has been engaged in primarily corporate planning, finance, and investor relations, in his capacities as Director in charge of the Corporate Strategy Division and directors of the Group companies. In addition, he has contributed to strengthening of the financial base and expansion of the Group through M&As by reflecting his wealth of experience and expertise in overall business management and financial matters. The Company therefore expects him to continue appropriately overseeing business operation of the Company and driving its medium- to long-term growth strategy, and nominated him as a candidate for Director.</p>		

Candidate No.	Name (Date of birth)	Career Summary, and Position and Responsibility in the Company (Significant Concurrent Positions outside the Company)	
<p style="text-align: center;">3 Reelection</p>	<p style="text-align: center;">Keizo Odori (May 10, 1970)</p> <p style="text-align: center;">Number of the Company's Shares Owned: 11,800 shares</p>	<p>Apr. 2000 Joined Faith, Inc.</p> <p>June 2005 Director, Faith, Inc.</p> <p>Sept. 2010 Director, the Company</p> <p>Apr. 2012 Director, VeriTrans Inc. (now DG Financial Technology, Inc.) (current position)</p> <p>Sept. 2012 Director and in charge of the Payment Segment (now the Financial Technology Segment), the Company</p> <p>Sept. 2012 Director, econtext Asia Limited (current position)</p> <p>Oct. 2013 Representative Director and President, ECONTEXT, INC. (current position)</p> <p>Oct. 2015 Director, iRidge, Inc.</p> <p>Sept. 2016 Director, DG Technologies, Inc. (current position)</p> <p>June 2017 Representative Director and President, DK Gate, Inc. (current position)</p> <p>June 2018 Director, DG MARKETING DESIGN, Inc. (now Qoil, Inc.)</p> <p>Oct. 2018 Director, Senior Executive Officer, in charge of the Financial Technology Segment, and in charge of the Marketing Technology Segment, the Company</p> <p>Jan. 2019 Director, TD Payment Corporation (current position)</p> <p>Feb. 2019 Director, CyberBuzz, Inc. (current position)</p> <p>June 2019 Director, DG Daiwa Ventures, Inc. (current position)</p> <p>Mar. 2020 Director, BI. Garage, Inc. (current position)</p> <p>Apr. 2020 Director, Senior Managing Executive Officer, in charge of the Marketing Technology Segment, and in charge of the Long-term Incubation Segment, the Company</p> <p>June 2020 Director, Crypto Garage, Inc. (current position)</p> <p>Apr. 2021 Director, Senior Managing Executive Officer, in charge of the Marketing Technology Segment and the Long-term Incubation Segment, Co-Head of the Group CEO Division, the Company (current position)</p>	
		<p>Reason for the nomination as candidate for Director</p> <p>Since joining the Company, Keizo Odori has been engaged primarily in the online settlement business, in his capacities as Director in charge of the Financial Technology Segment, in charge of the Marketing Technology Segment, and directors of the Group companies. In addition, he has contributed to growth of the business by strengthening the revenue base, managing the operation and implementing reorganization, by reflecting his wealth of experience in operational management. The Company therefore expects him to continue appropriately overseeing business operation of the Company and driving its medium- to long-term growth strategy, and nominated him as a candidate for Director.</p>	

Candidate No.	Name (Date of birth)	Career Summary, and Position and Responsibility in the Company (Significant Concurrent Positions outside the Company)	
<p style="text-align: center;">4 Reelection</p>	<p style="text-align: center;">Masashi Tanaka (October 27, 1975)</p> <p style="text-align: center;">Number of the Company's Shares Owned: 21,900 shares</p>	<p>Apr. 1998 Joined Nippon Information and Communication Corporation</p> <p>Aug. 2001 Joined the Company</p> <p>July 2006 Director, DG&Ibex Company</p> <p>Oct. 2008 Senior Operating Officer, Executive Vice President of DG&Ibex Company, a member of the Group CEO Office, and Director of econtext Company, the Company</p> <p>Jan. 2011 Senior Operating Officer, Head of Hybrid Solution Planning Office, Executive Vice President of DG&Ibex Company, and Executive Vice President of econtext Company, the Company</p> <p>Apr. 2012 Director, VeriTrans Inc. (now DG Financial Technology, Inc.)</p> <p>Apr. 2012 Director, NaviPlus Co., Ltd.</p> <p>Sept. 2012 Director, Head of Corporate Strategy Division, and Executive Vice President of DG&Ibex Company, the Company</p> <p>July 2015 Director, Head of Corporate Strategy Division, Head of General Affairs Department, in charge of the Media Incubation Segment, and Executive Vice President of Marketing Technology Company, the Company</p> <p>July 2016 Director, in charge of DG Lab, Head of Corporate Strategy Division, Head of General Affairs Department, and in charge of the Media Incubation Segment, the Company</p> <p>Sept. 2016 Representative Director, DG Technologies, Inc. (current position)</p> <p>Apr. 2017 Director, Senior Executive Officer, in charge of DG Lab, in charge of the Incubation Technology Segment, and Head of Corporate Strategy Division, the Company</p> <p>May 2017 Director, Vice President and COO, DG Incubation, Inc. (now DG Ventures, Inc.)</p> <p>June 2017 Director, DK Gate, Inc. (current position)</p> <p>May 2018 Director, Senior Executive Officer, in charge of DG Lab, in charge of the Incubation Technology Segment, and in charge of the Group CEO Division, the Company</p> <p>Sept. 2018 Director, Crypto Garage, Inc.</p> <p>June 2019 Director, Senior Executive Officer, in charge of DG Lab, in charge of the Incubation Technology Segment, and Executive Director of the Group CEO Division, the Company</p> <p>Dec. 2019 Director, Digital Garage US, Inc. (current position)</p> <p>Apr. 2020 Director, Senior Executive Officer, and in charge of the Incubation Technology Segment, the Company</p> <p>Jan. 2021 Representative Director, President, DG Incubation, Inc. (current position)</p> <p>Apr. 2021 Director, DG Ventures, Inc. (current position)</p> <p>Apr. 2021 Director, Senior Executive Officer, and in charge of Group Data Strategy and Open Network Lab, Co-Head of Group Data Strategy Department, Group CEO Division, the Company (current position)</p>	
		<p>Reason for the nomination as candidate for Director</p> <p>Since joining the Company, Masashi Tanaka has been engaged primarily in the marketing business and business administration of the overall Group, in his capacities as directors of the Group companies and Head of Corporate Strategy Division. In addition, he has contributed to business expansion of the Group and efficiency improvement of the business management based on his in-depth understanding on the overall Group business operation. The Company therefore expects him to continue appropriately overseeing business operation of the Company and driving its medium- to long-term growth strategy, and nominated him as a candidate for Director.</p>	

Candidate No.	Name (Date of birth)	Career Summary, and Position and Responsibility in the Company (Significant Concurrent Positions outside the Company)	
<p style="text-align: center;">5 Reelection</p>	<p style="text-align: center;">Masahito Okuma (October 24, 1975)</p> <p style="text-align: center;">Number of the Company's Shares Owned: 1,900 shares</p>	<p>Apr. 1999 Joined Mitsubishi Corporation</p> <p>Mar. 2011 Joined FAST RETAILING CO., LTD.</p> <p>Dec. 2015 Vice President, UNIQLO USA LLC</p> <p>Nov. 2016 Joined the Company</p> <p>Apr. 2017 Corporate Officer and COO of DG Lab, the Company</p> <p>May 2017 Director, DG Incubation, Inc. (now DG Ventures, Inc.)</p> <p>Dec. 2017 Director COO, Digital Garage US, Inc. (current position)</p> <p>Apr. 2018 Senior Corporate Officer and COO of DG Lab, the Company</p> <p>May 2018 Senior Corporate Officer, COO of DG Lab, Head of Group CEO Division, and Head of Business Innovation Department, Group CEO Division, the Company</p> <p>June 2018 Director, Senior Executive Officer, COO of DG Lab, Head of Group CEO Division, and Head of Business Innovation Department, Group CEO Division, the Company</p> <p>Sept. 2018 Representative Director, Crypto Garage, Inc.</p> <p>Dec. 2018 Director, Senior Executive Officer, COO of DG Lab, and Head of Group CEO Division, the Company</p> <p>Apr. 2019 Representative Director and CEO, Crypto Garage, Inc. (current position)</p> <p>June 2019 Representative Director, DG Daiwa Ventures, Inc. (current position)</p> <p>June 2019 Director, Senior Executive Officer, in charge of the Group CEO Division, Head of the Group CEO Division, in charge of the Long-term Incubation Segment, and COO of DG Lab, the Company</p> <p>Aug. 2019 Director, Dentsu ScienceJam Inc. (current position)</p> <p>Nov. 2019 Representative Director and President, BrainscanTechnologies, Inc. (current position)</p> <p>Apr. 2020 Director, Senior Executive Officer, in charge of DG Lab Division, and in charge of other related business, the Company</p> <p>Jan. 2021 Director, DG Incubation, Inc. (current position)</p> <p>Apr. 2021 Director, Vice President and COO, DG Ventures, Inc. (current position)</p> <p>Apr. 2021 Director, Senior Executive Officer, in charge of the Incubation Technology Segment, in charge of DG Lab, and in charge of Global Business, Co-Head of Group CEO Division, and Head of Digital Health Department, the Company (current position)</p>	
		<p>Reason for the nomination as candidate for Director</p> <p>Masahito Okuma joined the Company after working at a major general trading company and a major apparel maker. Since then, taking advantage of his previous experience at business corporations, he has put effort into not only the development of next-generation business but also global alliances, mainly while in charge of DG Lab, an R&D organization. The Company therefore believes that he will continuously promote the appropriate supervision of its business operations, the development of new business, and global alliances, and that he will contribute to improving value over the medium- to long-term. Accordingly, the Company nominated him as a candidate for Director.</p>	

Candidate No.	Name (Date of birth)	Career Summary, and Position and Responsibility in the Company (Significant Concurrent Positions outside the Company)
6 Reelection	Hiroshi Shino (July 24, 1976) Number of the Company's Shares Owned: 3,800 shares	<p>Apr. 2000 Joined Softbank Finance Corporation</p> <p>Nov. 2011 Director and Executive Officer, VeriTrans Inc. (now DG Financial Technology, Inc.)</p> <p>Apr. 2013 Representative Director, Executive Officer and CEO, NaviPlus Co., Ltd. (current position)</p> <p>Oct. 2013 Director, Executive Officer and COO, VeriTrans Inc. (now DG Financial Technology, Inc.)</p> <p>July 2015 Corporate Officer, the Company</p> <p>Sept. 2015 Director, ECONTEXT, INC. (current position)</p> <p>Sept. 2015 Representative Director, Executive Officer and President, VeriTrans Inc. (now DG Financial Technology, Inc.) (current position)</p> <p>Sept. 2016 Senior Corporate Officer, the Company</p> <p>Oct. 2016 Director and COO, ANA Digital Gate, Inc. (current position)</p> <p>Oct. 2018 Director, SCORE.Co., Ltd. (current position)</p> <p>Jan. 2019 Director, TD Payment Corporation (current position)</p> <p>Apr. 2020 Senior Corporate Officer and in charge of the Financial Technologies Segment, the Company</p> <p>June 2020 Director, Senior Executive Officer, in charge of the Financial Technology Segment, the Company (current position)</p>
<p>Reason for the nomination as candidate for Director</p> <p>Hiroshi Shino has been engaged in the online payment business since its early days. He has also contributed to business growth, principally as Representative Director of VeriTrans Inc. (now DG Financial Technology, Inc.) and Director of ECONTEXT, INC., engaging in financial technology businesses, by leveraging his past experience since he joined the Group. The Company therefore believes that he will continuously contribute to the appropriate supervision of its business operations, promoting the financial technology business, and improving value of the Company over the medium- to long-term. Accordingly, the Company nominated him as a candidate for Director.</p>		

Candidate No.	Name (Date of birth)	Career Summary, and Position and Responsibility in the Company (Significant Concurrent Positions outside the Company)	
7 Reelection	Joichi Ito (June 19, 1966) Number of the Company's Shares Owned: 20,000 shares	Apr. 1994	Representative Director, Ecosys Ltd.
		Aug. 1995	Founded the Company Representative Director, the Company
		June 1999	Director, the Company
		June 1999	Director and Chairman, Infoseek Corporation
		Dec. 1999	Representative Director and President, Neoteny Co., Ltd.
		Sept. 2000	Representative Director, Cura Co., Ltd.
		June 2002	Director, PIA Corporation
		Dec. 2004	Adviser, the Company
		Jan. 2005	Director, Technorati Japan, Inc.
		Nov. 2005	Director, Mozilla Japan, a Middle-natured Corporation with the Limited Liability
		Aug. 2006	Director, BI. Garage, Inc.
		Sept. 2006	Director, the Company (current position)
		June 2009	Outside Director, Culture Convenience Club Co., Ltd.
		Apr. 2011	Director, Massachusetts Institute of Technology (MIT) Media Lab
		July 2011	Director, Digital Garage US, Inc.
June 2012	Board Member, The New York Times Company		
June 2013	Director, Sony Corporation (now Sony Group Corporation)		
May 2015	Board Member, Chairman, PureTech Health plc		
<p>Reason for the nomination as candidate for Director Joichi Ito has been engaged in a number of Internet businesses, leading penetration of Internet in Japan and co-founding the Company. He has also contributed to business expansion of the Group by leveraging his broad experience in Internet company management and engagement as venture capitalist. The Company therefore expects him to continue appropriately overseeing business operation of the Company and driving its medium- to long-term growth strategy, and nominated him as a candidate for Director.</p>			
8 Reelection Outside Independent	Emi Omura (September 2, 1976) Number of the Company's Shares Owned: - shares	Oct. 2002	Admitted to practice law in Japan (Tokyo Bar Association)
		July 2008	Partner, Athena Law Office
		Sept. 2010	Associate Expert, International Labour Office in Geneva, the International Labour Organization (ILO)
		Jan. 2014	Director, the Office of International Affairs, Japan Federation of Bar Associations
		Sept. 2014	Outside Director, the Company (current position)
		June 2019	Counsel, Kamiyacho International Law Office
		Apr. 2021	Counsel, CLS HIBIYA TOKYO LAW OFFICE (current position)
<p>Reason for the nomination as candidate for Outside Director and summary of her expected role Although Emi Omura has not been involved in corporate management other than having served as an outside officer, she has experience in global work environment through her post at an international institution in addition to her wealth of experience and expertise as attorney-at-law. As Outside Director of the Company, she has provided us with valuable opinions and suggestions concerning business management of the Company from a broader perspective. The Company therefore expects her to continue contributing to appropriate oversight of business operation of the Company, and nominated her as a candidate for Outside Director who is not an Audit and Supervisory Committee Member.</p>			

*1 Candidate for Director Kaoru Hayashi serves concurrently as Representative Director, Chairman and CEO of BI. Garage, Inc., which is a subsidiary of the Company. The Company has a business relationship with BI. Garage, Inc. concerning (i) outsourcing service for administrative work of BI. Garage, Inc., (ii) office leasing, (iii) office equipment leasing at BI. Garage, Inc., (iv) secondment of the Company's employees to BI. Garage, Inc., (v) business transactions.

Kaoru Hayashi also serves concurrently as Chairman CEO of DG Communications Co., Ltd., which is a subsidiary of the Company. The Company has a business relationship with DG Communications Co., Ltd. concerning (i) outsourcing service for administrative work of DG Communications Co., Ltd., (ii)

office leasing, (iii) office equipment leasing at DG Communications Co., Ltd., (iv) secondment of the Company's employees to DG Communications Co., Ltd., (v) business transactions.

- *2 Candidate for Director Keizo Odori serves concurrently as Representative Director and President of DK Gate, Inc., which is a subsidiary of the Company. The Company has a business relationship with DK Gate, Inc. concerning (i) outsourcing service for administrative work of DK Gate, Inc., (ii) secondment of the Company's employees to DK Gate, Inc.
- *3 Candidate for Director Masashi Tanaka serves concurrently as Representative Director of DG Technologies, Inc., which is a subsidiary of the Company. The Company has a business relationship with DG Technologies, Inc. concerning (i) outsourcing service for administrative work of DG Technologies, Inc., and (ii) lending of funds from the Company to DG Technologies, Inc.
- *4 Candidate for Director Masahito Okuma serves concurrently as President and CEO of Crypto Garage, Inc., which is a subsidiary of the Company. The Company has a business relationship with Crypto Garage, Inc. concerning (i) outsourcing service for administrative work of Crypto Garage, Inc., (ii) office leasing, (iii) office equipment leasing at Crypto Garage, Inc., (iv) secondment of the Company's employees to Crypto Garage, Inc.

Masahito Okuma also serves concurrently as Representative Director of DG Daiwa Ventures, Inc., which is an equity-method affiliate of the Company. The Company has a business relationship with DG Daiwa Ventures, Inc. concerning (i) outsourcing service for administrative work of DG Daiwa Ventures, Inc., (ii) office leasing, (iii) office equipment leasing at DG Daiwa Ventures, Inc., (iv) secondment of the Company's employees to DG Daiwa Ventures, Inc.

- *5 There is no special interest between any other candidates for Directors and the Company.
- *6 Candidate for Director Emi Omura is a candidate for Outside Director. At the conclusion of this meeting, her tenure as Outside Director of the Company will have been six years and nine months.
- *7 It is prescribed in the Articles of Incorporation of the Company in effect that the Company may enter into an agreement with Directors (excluding Executive Directors, etc.) to limit their liability for damages to the Company in an effort to attract competent individuals to the said posts.

The Company has entered into the said agreement with Emi Omura to limit her liability for damages. If the Proposal No. 2 is approved, the Company plans to renew the agreement with her.

The details of the agreement are as follows:

- The Director shall be liable to the Company for damages caused by neglect of his or her duties, under Article 423, paragraph 1 of the Companies Act, up to the minimum amount prescribed in Article 425, paragraph 1 of the same Act.
 - The limitation of the liability above shall apply only when the Director acted in good faith and without gross negligence in performing the duties giving rise to said liabilities.
- *8 The Company has entered into a directors and officers liability insurance policy as provided for in Article 430-3, paragraph 1 of the Companies Act with an insurance company, thereby covering losses and costs incurred by Directors in cases where they are liable for damages arising from their performance of duties (unless a coverage exclusion in the insurance policy is applied). The full amount of the insurance premiums of the insureds is borne by the Company. Each of the Director candidates is already an insured under this policy, and if their election is approved and adopted, each of the Director candidates will be made an insured. The policy is scheduled for renewal in November 2021.
 - *9 The Company has designated a candidate for Director Emi Omura as an independent officer in accordance with the regulations of Tokyo Stock Exchange Inc. and notified therein. If she is reelected, the Company plans to continue her independent officer designation.

(Reference) Composition of the Board of Directors

Assuming Proposal No. 2 is approved without changes, the composition of the Company’s Board of Directors will be as follows.

	Number of People	Outside Director	Independent Officer	Proportion of Independent Officer
Director (excluding Audit and Supervisory Committee Member)	8	1	1	12.5%
Director (Audit and Supervisory Committee Member)	5	4	4	80.0%
Total	13	5	5	38.5%

As shown above, five of the 13 members of the Board of Directors will be Outside Directors, accounting for more than one third of the total. The all five Outside Directors will be independent officers. The Company believes this structure will result in highly effective oversight within the Board of Directors.

End