

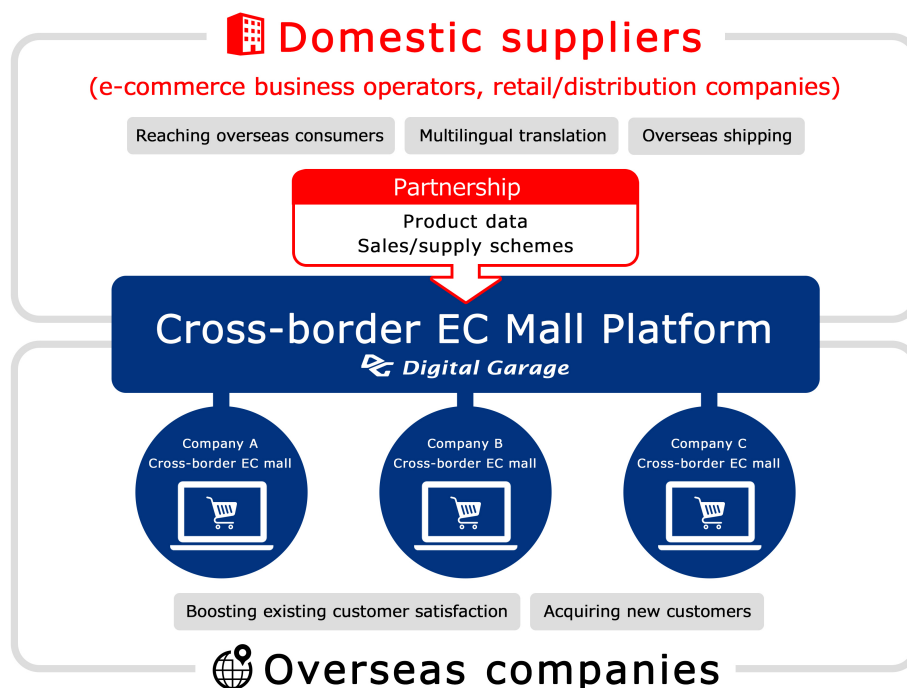
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Digital Garage Supports Overseas Market Expansion by Domestic Suppliers through Cross-Border EC Mall Development in Partnership with Overseas Companies

Digital Garage, Inc. (TSE first section: 4819; HQ: Tokyo; Representative Director, President Executive Officer and Group CEO: Kaoru Hayashi; DG) supports overseas market expansion by domestic suppliers (e-commerce business operators, retail/distribution companies) through the development of cross-border EC malls in partnership with overseas companies.

Due to rapid growth in the cross-border EC market across the world, many domestic suppliers are striving to leverage cross-border EC to expand their overseas markets. However, various challenges (reaching overseas consumers, multi-lingual translation, overseas shipping, etc.) are still obstacles to entering cross-border EC market. At the same time, needs are growing among overseas companies with membership organizations*1, which want to offer cross-border EC malls, utilizing point incentives, to their members as customer relationship management (CRM) services.

In light of this background, the three companies of DG, Leyifan Inc. (HQ: Tokyo; Representative Director: Yoichi Shimizu; Leyifan), and EDOCODE Inc. (HQ: Tokyo; Representative Director: Takamasa Tamura; EDOCODE) have developed a Cross-Border EC Mall Platform to support the market expansion aimed at by domestic suppliers, as well as the improved CRM services required by overseas companies. DG is in charge of the overall platform design, including partnerships with domestic suppliers and overseas companies. Leyifan will serve as an agent for all tasks related to overseas shipping, and EDOCODE will design core systems for the Cross-Border EC Mall Platform.



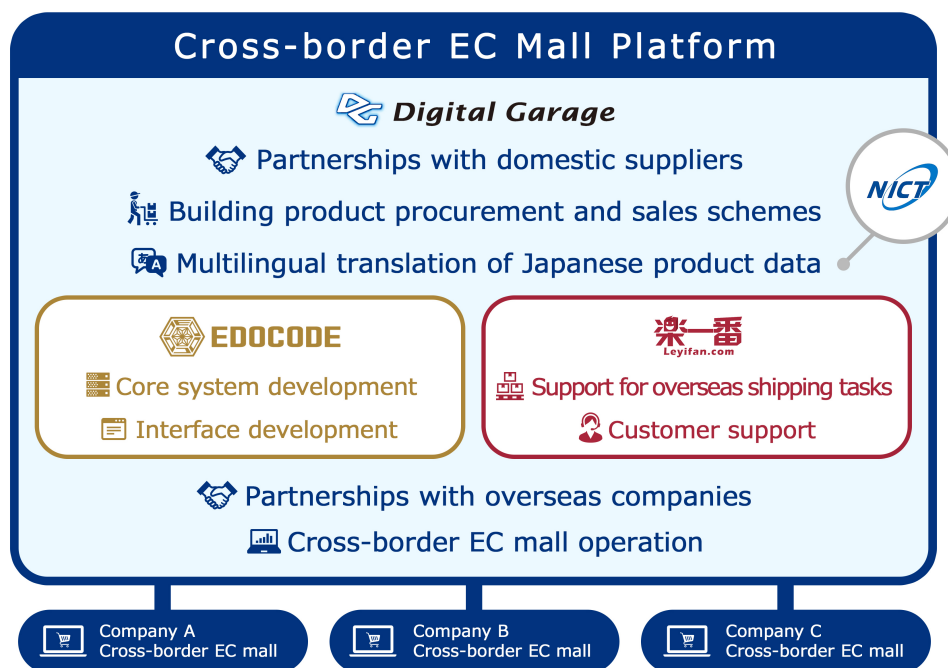
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DG's overseas partner companies will be able to boost current customer satisfaction and acquire new customers through custom cross-border EC malls developed for their members. Domestic suppliers will be able to reach overseas consumers and develop overseas markets through cross-border EC malls in partnership with multiple overseas companies.

Going forward, to develop and operate cross-border EC malls that meet the needs of each company, DG will form partnerships with major companies that offer credit cards and joint point services in Asian countries and regions including China, South Korea, Taiwan, and Hong Kong. In this way, DG will offer original, cross-border EC schemes to simultaneously support domestic suppliers and overseas companies, with the goal of becoming a business strategy partner to both.

*1: "Overseas companies with membership organizations" refers to companies that issue accounts to service users (members) and possess membership information. This refers specifically to credit card issuers, joint point business companies, members-only media operators, etc.

■ Roles of each company in the Cross-Border EC Mall Platform



<DG>

[For domestic suppliers]

- Partnerships aimed at overseas market expansion
- Building product procurement and sales schemes
- Multilingual translation* of Japanese product data

[For overseas companies]

- Partnerships aimed at improving CRM services
- cross-border EC mall operation

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<Leyifan>

- Support for overseas shipping and customs tasks
- Customer support for overseas consumers

<EDOCODE>

- Cross-Border EC Mall Platform core system development
- Interface development with external programs

*The Cross-Border EC Mall Platform incorporates a cutting-edge automatic translation technology from the National Institute of Information and Communications Technology (NICT). It automatically translates from Japanese to various languages with a high level of accuracy.

[About Leyifan Inc.]

Company name : Leyifan Inc.
Established : August 2015
Representative : Representative Director Yoichi Shimizu
Address : 8-17-1 Nishishinjuku, Shinjuku-ku, Tokyo
URL : <http://www.leyifan.com/en/>

This company operates the Leyifan overseas shipping service to offer “borderless e-commerce experiences,” and has a fulfillment center (FC) in Tokyo. It offers remarkably cheap and fast shipping to users in Greater China, Southeast Asia, the United States, and Europe, as well as overseas sales solutions fusing shipping, customer service, and advertising to e-commerce sites. It became an Adways Group company in 2015.

[About EDOCODE Inc.]

Company name : EDOCODE Inc.
Established : June 2016
Representative : Representative Director Takamasa Tamura
Address : 1F EBISU FORT, 1-24-2 Ebisu Minami, Shibuya-ku, Tokyo
URL : <https://www.edocode.co.jp/>

EDOCODE is a technology company founded in 2016. It plans, develops, and operates an e-commerce mall with an annual transaction amount of 100 billion yen, as well as official inbound tourism content for a platform boasting hundreds of millions of active users per month. It also comes up with and offers services that are truly needed according to a way of thinking not bound by common knowledge, such as developing its own cutting-edge communication tools.

[About Digital Garage, Inc.]

Company name : Digital Garage, Inc.
Established : August 1995
Representative : Representative Director, President Executive Officer and Group CEO Kaoru Hayashi
Address : DG Bldg., 3-5-7 Ebisu Minami, Shibuya-ku, Tokyo

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URL : <http://www.garage.co.jp/en/>

DG, listed in the first section of the Tokyo Stock Exchange, was founded in 1995. Its business is focused on marketing, payments, and investment to create “context” for the age of the Internet.

The Marketing Technology Segment (<http://dgmt.garage.co.jp/>), centered on web promotion, offers integrated digital marketing through web strategies (website and app production and operation) and CRM solutions (e-commerce and membership site vitalization). In recent years it leverages cutting-edge technologies and develops new businesses—including apps, data, and inbound tourism—as a business strategy partner that supports clients and helps grow their businesses.