

NEWS RELEASE

DG Group's "Cloud Pay," a Unified QR Code Payment Solution Starts Linkage with "LINE Pay"

~Connects to "LINE Pay," in Addition to Major QR Code Payment Services from Both Japan and Overseas, "d Barai®," "Alipay," "AlipayHK" and "Kakaopay"~

The DG Group, centered on Digital Garage, Inc. (TSE first section: 4819; HQ: Tokyo; Representative Director, President Executive Officer and Group CEO: Kaoru Hayashi; DG), will begin linking "Cloud Pay" (https://cloud-pay.jp/mpm/), the only unified QR Code payment solution in Japan, with "LINE Pay" from LINE Pay Corporation from the end of August 2020. "Cloud Pay" is already linked with the Japanese service "d Barai®," as well as overseas services "Alipay," "AlipayHK" and "Kakaopay." Preparations are underway to link "Cloud Pay" with "Merpay" and "au PAY," as well as the overseas service "WeChatPay." The DG Group will continue supporting and linking to Japanese and overseas payment services in the future to expand the "Cloud Pay" service.



With "Cloud Pay," multiple types of QR Code and barcode payment services can be offered just by displaying a single QR Code in the store. This service utilizes the MPM format*₁ in which customers scan a QR Code at the store to pay. Because this requires no new equipment including POS terminals and no system upgrades, participating merchants can introduce multiple Japanese and overseas QR Code payment services at once without any installation burden or costs. This format offers many benefits. For instance, transactions for various payment methods can be managed on the app for participating merchants, which helps reduce the number of people needed for administration and accounting tasks. In addition, consumers feel no confusion about which QR Code to scan when paying.

There are over 38.8 million registered users $_2$ of "LINE Pay," a Japanese payment service, and support from "Cloud Pay" for this service will provide greater convenience to consumers, helping to increase sales opportunities at participating merchants and boost consumption.

By offering in-person payment solutions to participating merchants of various sizes and business types—including "Cloud Pay," POS systems, mobile POS, and multi-payment terminals—the DG Group is supporting the government's efforts to promote cashless payments and provide speedy, simple, and convenient payment experiences to both retailers and consumers.

The DG Group will keep leveraging its synergy in its three principal domains (fintech, marketing, and investment) to promote an integrated strategy for fintech and digital marketing such as online-merge-offline (OMO) marketing for real retail.



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[Image of payment using QR Code stand installed at stores]





■ About "LINE Pay"

"LINE Pay" is a mobile payment service that lets "LINE" users (on iPhone or Android) make payments for affiliated services or at affiliated shops in an easy and convenient way. As a mobile payment platform of "LINE," "LINE Pay" will close the distance between people, money, and services by eliminating the current pain-points – time, effort, fees, and more – of circulating money.

- *1: MPM: A type of QR Code payment format in which users scan in-store QR Codes with their mobile devices.
- *2: As of June 2020.
- * "Cloud Pay" is the only unified QR code payment solution in Japan, provided in BtoBtoC model. "Cloud Pay" is a registered trademark of Digital Garage, Inc.
- * "QR Code" is a registered trademark of DENSO WAVE INCORPORATED.