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VeriTrans' Comprehensive Payment Solution "VeriTrans4G" Supports "Merpay"

VeriTrans Inc. (HQ: Tokyo; Representative Director and President: Hiroshi Shino; VeriTrans), a payment service provider and subsidiary of Digital Garage, Inc. (TSE first section: 4819; HQ: Tokyo; Representative Director, President Executive Officer and Group CEO: Kaoru Hayashi; DG), supports "Merpay" for the comprehensive payment solution "VeriTrans4G," and provides its service as a payment option. "Merpay" is a payment service from Merpay, Inc. (HQ: Tokyo; CEO: Naoki Aoyagi; Merpay) that uses "Mercari" (one of the largest marketplace apps in Japan).



■ Outline of "Merpay," a mobile payment service

With the "Merpay" service, users can pay for products and services at stores and on E-Commerce sites that support "Merpay" by using points purchased with their sales balance on "Mercari," or using their "Merpay" balance automatically charged from money earned selling on "Mercari." If their sales balance on "Mercari" is insufficient, they can add to their "Merpay" balance from a bank account or other method. VeriTrans4G supports online payments for E-Commerce sites.

To make an online payment with "Merpay," the purchaser selects "Merpay" as the payment method on the E-Commerce site and confirms the payment information on the "Mercari" app to complete the payment. In addition to one-time payments for each purchase, this service also supports "Merpay Smart Payment," a post-settlement payment service in which the user pays the entire amount after the next month.

"Merpay" offers better convenience as the customer can speedily pay on the "Mercari" app they are accustomed to use, without having to enter any personal or other information. E-commerce business operators who introduce "Merpay" can attract new customers to their E-Commerce site who are users of "Mercari," one of Japan's biggest marketplace apps with 17.55 million monthly users*₁ and annual sales of 625.9 billion yen*₂. These customers can use their "Mercari" app balance to purchase products and services. In addition, "Merpay" visualizes the asset value of products that customers have purchased on partner E-Commerce sites using online payment, and offers the "Easy Listing Coordination" function, which allows customers to easily list items on "Mercari" based on their purchase history. Users can buy products from participating "Merpay" merchants and sell unneeded products on "Mercari," then use their balance to once again purchase products at participating "Merpay" merchants. In this way, "Merpay" creates a cycle that is beneficial to both customers and participating "Merpay" merchants.

■ "VeriTrans4G" comprehensive payment solution

"VeriTrans4G" is comprehensive next-generation payment solution that the largest lineups of payment methods in the industry ranging from basic payments, such as credit cards, convenience stores, and

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banks, to e-money, carrier payments, various ID payments such as “Merpay” and “PayPay,” and international payments including “China UnionPay (CUP),” “Alipay,” and “PayPal.”

“VeriTrans4G” is based on a system with the highest level of security in Japan, and is designed to prevent any credit card information from being retained or passed through the participating merchants’ servers or E-commerce sites. It comes standard with basic functions such as continual charges and card information updating, as well as a wide range of security options to prevent fraudulent usage.

“VeriTrans4G” is a system that can be flexibly augmented with minimal burden on the business operator, even with additional service, security, and other requirements. Business operators using “VeriTrans4G” can smoothly introduce “Merpay” just by completing a usage application.

After installation, transaction data can be managed centrally on our admin page, which allows users to handle information easier and minimizes the operational load. For instance, transaction data for “Merpay” only can be extracted and aggregated. In addition, money collected is settled or transferred in a lump sum with the settlement of other payments, it reduces the operational burden of adding new payment methods.

■ Future development

There is a range of new services for both online and offline payments as more people are using cashless payment methods, including smartphone payment services like “Merpay.” The Digital Garage Group is building a highly augmentable payment platform for both E-Commerce and physical stores. It offers payment solutions tailored to different company sizes and business categories so business operators can speedily introduce a wide range of payment services with less trouble and fewer costs, such as VeriTrans4G, a multi-channel payment solution that supports a broad scope of industries and business formats; Cloud Pay, a unified QR Code payment solution; and code payment solutions for POS systems.

As a leader in the payment services industry, VeriTrans will offer more new payment methods required by business operators and consumers, and provide cashless solutions based on an integrated understanding of industry trends.

*1: As of September, 2020

*2: As of March, 2020

* “QR Code” is a registered trademark of DENSO WAVE INCORPORATED.

[About VeriTrans] <https://www.veritrans.co.jp/company/>

A payment provider that carries out online payment, POS payment, barcode / QR Code payment, and other initiatives for the Digital Garage Group. VeriTrans supports cashless payments and business growth through payment solutions that can be used by business operators in a wide range of industries—such as logistics, services, manufacturing, government ministries, and local governments—in diverse channels including E-Commerce, physical stores, and omnichannel developments. As a leader in the payment services industry, which has now grown into a basic social infrastructure, VeriTrans will work with DG Group company ECONTEXT to offer advice to government institutions and the credit card industry, along with speedy service that meets the needs generated by trends in

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business and policy. Such efforts will support the expansion of convenient solutions, along with a safe and secure environment, as required by E-Commerce businesses and consumers.