
NEWS RELEASE

VeriTrans and ECONTEXT, Digital Garage's Core Payment Subsidiaries, to Achieve Business Integration

~The First Phase of "DG FinTech Shift," a Group Strategy to Integrate Payments and Data~

VeriTrans Inc. (HQ: Tokyo; Representative Director and President: Hiroshi Shino; VeriTrans), and ECONTEXT, INC. (HQ: Tokyo; Representative Director and President: Keizo Odori; ECONTEXT), which are subsidiaries of Digital Garage, Inc. (TSE first section: 4819; HQ: Tokyo; Representative Director, President Executive Officer and Group CEO: Kaoru Hayashi; DG) and provide payment services, conduct a company split to achieve business integration. The business of ECONTEXT, the splitting company, will be transferred to VeriTrans, the successor company. (However, this will exclude certain businesses that require registration with the Prime Minister of Japan, such as the Law Concerning Funds Settlement.)

<Purpose of the Business Integration and a Group Strategy "DG FinTech Shift">

■As the core companies of DG's Financial Technology (FT) Segment, VeriTrans and ECONTEXT have been providing payment gateway services over the past 20 years since its establishment. Both have grown to become 24/365 critical infrastructure companies designated by the country, with an annual transaction volume of approximately 3 trillion yen and an annual payment processing volume of approximately 600 million payments. In the FinTech field, where the evolution of new services and technologies is remarkable, the DG Group is also starting up several FinTech-related services and businesses, including the crypto asset-related business developed by Crypto Garage. In response to these next-generation businesses, VeriTrans and ECONTEXT will create value-added businesses that will support Japan as a cashless nation. With an eye to develop these businesses across the DG Group, it is aimed to be achieved through a strong linkage between the payment platforms of VeriTrans and ECONTEXT, and the approximately 700,000 sites (E-Commerce and face-to-face retail stores) where they provide payment services, as well as collaborations with more than 1,000 partners, including companies handling payment through credit cards, banks, e-money, QR payment and POS manufacturers. (VeriTrans and ECONTEXT will accelerate the development of new financial services through the streamlining of key technology platforms, management resources, development investments, and corporate operations. Additionally, the launch of new brand will be announced by the new fiscal year.)

■Taking the opportunity, the DG Group will strategically integrate FT (Financial Technology) business with its MT (Marketing Technology), IT (Incubation Technology) and LTI (Long-term Incubation) segments and redefine the FT business as "the core recurring business of the group." In addition, the DG Group will evolve the current payment and settlement business into a next-generation business that utilizes data, and contribute to the development of a sustainable society as a useful infrastructure business.