**Digital Garage** **DGFT** *DG Financial Technology*

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# Digital Garage Establishes "DG Commerce," a New E-commerce Site Development Company

## ～ E-commerce Business Strategy Company to Support Business with Technology through Collaboration with Next-generation Payment APIs ～

- **DGFT, a subsidiary of DG engaged in the payment business, and SI, an e-commerce company, will jointly establish a new company, "DG Commerce Inc." by December 2023 to support e-commerce business with technology, focusing on e-commerce site development.**

Digital Garage, Inc. (TSE Prime section: 4819; HQ: Tokyo; Representative Director, President Executive Officer and Group CEO: Kaoru Hayashi; DG) aims to strengthen existing businesses under DG's group strategy "DG FinTech Shift," which integrates payment and data, by expanding its business domain to the e-commerce business, which is the gateway to the payment business, and introducing next-generation technologies, including OpenAPI support.



Provide a series of data analysis and consulting services, as well as marketing strategies and payment systems.

■**Background of the establishment of the new company**

DG Financial Technology, Inc. (HQ: Tokyo; Representative Director, President, Co-COO: Hiroshi Shino; DGFT), one of Japan's largest payment providers, has developed a variety of payment-related and data-utilizing businesses using the latest technology under the slogan, "Innovation across Payment."

Founded in 1995, System Integrator Corp. (TSE Standard section: 3826; HQ: Saitama; Representative Director, President, CEO: Satoshi Hikiyashiki; SI) is one of the leading companies in the industry, providing Japan's first e-commerce site development package, "SI Web Shopping," with extensive experience and knowledge. DGFT and SI have provided a beneficial payment experience for many e-commerce sites by integrating "SI Web Shopping" and DGFT's payment platform.

The domestic e-commerce market is expanding year by year. It is undergoing diverse changes, including omni-channeling between the online and in-store shopping channels, diversification of payment methods such as

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smartphone and ID payment, collaboration with marketing efforts utilizing SNS, expansion of inbound and cross-border e-commerce after the COVID, and others.

In this environment, data management and utilization has become complicated as solutions have emerged to support e-commerce businesses in each stage, such as customer attraction, advertising, website development, and payment. In addition, different companies and services that support each stage of the project resulted in differences in customer data, and marketing activities need to be carried out more efficiently.

To solve these issues, the DG Group will effectively support all activities related to the e-commerce business, including marketing, e-commerce site development, provision of payment solutions, fraud detection know-how, and analysis and utilization of customer activity and purchase data, as well as other data. The new company will provide advanced services, including a "next-generation payment API" that enables the use of the most payment methods in the shortest development time by combining SI's advanced e-commerce platform and technologies that support various online businesses, including omnichannel and cross-border e-commerce, with DG's technical capabilities in the payment domain and know-how in the social implementation of cutting-edge technologies such as web3, blockchain and artificial intelligence (AI).

### ■Outline of the new company (tentative)

(1) Name: DG Commerce Inc.
(2) Head office: Shibuya-ku, Tokyo
(3) Business: Development and provision of solutions for e-commerce site development and system operation support, as well as other services
(4) Capital: 10 million yen
(5) Shareholders: DG Financial Technology, Inc. (60%), System Integrator Corp. (40%)
(6) Date of establishment: December 2023

**DG Commerce**

### ■Comment from Hiroshi Shino, Representative Director, President, Co-COO of DG Financial Technology, Inc.

The DG Group has been in the payment business for more than 25 years, handling more than 5 trillion yen in payment transaction volume, one of the largest in Japan, and approximately 1 billion payment transactions. This new company, "DG Commerce," is the bridge between marketing and payment, building and operating the entire e-commerce system. The DG Group will continue accelerating the "DG FinTech Shift," DG's group strategy that integrates payment and data and contributes to DX and e-commerce business in Japan.

### ■Comment from Satoshi Hikiyashiki, Representative Director, President, CEO of System Integrator Corp.

Our e-commerce business is the longest-running e-commerce system development business in Japan. We possess the operational expertise and technical capabilities to carry out the complex requirements of our large-scale clients. The new company will combine our technological abilities in developing e-commerce sites with the DG Group's marketing and payment technologies and know-how to solve the problems of many e-commerce businesses in Japan

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and provide strong support for their business growth. "DG Commerce" will contribute to developing the domestic e-commerce market.

【**About Digital Garage**】 https://www.garage.co.jp/en/

   Digital Garage's corporate purpose is "Designing 'New Context' for a sustainable society with technology." Digital Garage operates a payment business that provides one of the largest comprehensive payment platforms in Japan, a marketing business that leverages data to deliver solutions that integrate real and cyberspace, and an investment and development business that discovers and supports promising startups from around the world.

【**About System Integrator**】 https://corporate.sint.co.jp/

   System Integrator plans, develops, and sells packaged software and cloud services (SaaS) and provides consulting services (e-commerce software, ERP, development support tools, project management tools, programming skill assessment services, and others). System Integrator aims to achieve an efficient society through IT by providing a variety of software that solves problems in the field of system development, including the planning, development, and sales of AI-based products and services and the provision of AI-related solutions, support, and consulting.