

NEWS RELEASE

DG Financial Technology Acquires SCORE, a Joint Venture in the Post Payment Business, as its Wholly Owned Subsidiary

- DG Financial Technology, Inc. (DGFT), a payment service provider and a subsidiary of Digital Garage, Inc. (DG), has signed a basic agreement with Nissen Co., Ltd. (Nissen) to acquire all shares (51%) held by Nissen in SCORE. Co., Ltd. (SCORE), a post payment business company jointly established by DGFT and Nissen, in which DGFT holds a 49% share.
- The share transfer is scheduled to be completed on July 1, 2024, and SCORE will become a wholly owned subsidiary of DGFT after the completion of the share transfer.

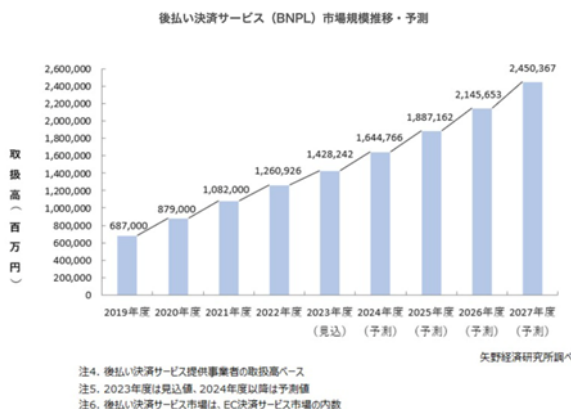


Background to the Share Acquisition

DGFT established SCORE as a joint venture with Nissen*1 in 2018 and has been developing the service by adding “VeriTrans Post Payment,” a post payment service that allows customers to pay after receiving their order, to the standard payment menu of comprehensive payment service “VeriTrans4G”. *2 The number of merchants implementing the system has been growing steadily.

The post payment services have gained recognition as an important payment method, especially among younger consumers who do not have credit cards and middle-aged and older consumers who value the peace of mind that comes with online payment. Therefore, the introduction of this service is expected to continue to increase in e-commerce and other online shopping.

[Post payment Services Market Trends and Forecasts]



◇Source: Press release [“Conducted a study on the EC payment service market \(2024\)”](#) (April 19, 2024)

“The post payment service (BNPL : Buy Now, Pay Later) market (based on the transaction volume of post payment service providers) in the B2C domain is expanding steadily and is estimated to be 1,260.9 billion yen in FY2022.”

“The post payment service market is expected to expand to the level of 2 trillion JPY in FY2026, due to an expanding use environment and higher unit prices.”

*Transaction volume is shown in units of millions of yen.

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Against this background, DGFT has decided to acquire the shares and make the company a wholly owned subsidiary to expand its current B2C post payment business and enter the B2B domain, which is developed across the DG Group.

DG Group and DGFT will continue to contribute to the business growth of e-commerce and other online shopping businesses and improve convenience for various consumers. In addition, under the DG group's strategy, "DG FinTech Shift," which is centered on the payment platform, we aim to achieve the Medium-Term Management Plan ahead of schedule through business strategies, including M&A, and contribute to the establishment of a safe, secure, and convenient cashless society.

■Comments from Hiroshi Shino, Representative Director, President and Co-COO, DG Financial Technology, Inc.

Since establishing DG Commerce Inc.*3 in November 2023, we have been accelerating DG group's strategy, "DG FinTech Shift," and rapidly expanding from a payment provider to a comprehensive platform supporting all digital commerce aspects.

Going forward, DG will expand post payment services further to strengthen the payment business and promote multi-layered monetization with a digital commerce platform strategy that supports the entire commerce process.

■About "VeriTrans Post Payment"

"VeriTrans Post Payment" is a post payment service for e-commerce and other online shopping business operators. The service handles an invoice, collects payments on behalf of customers, and makes advance payments to the operators. This allows customers and operators to utilize the service safely and quickly and significantly reduce invoice and operational tasks.

The system supports payment at convenience stores and post offices, and four types of smartphone payment applications, including "LINE Pay (Invoice Payment)," "Rakuten Bank Convenience Store Payment (Convenience store slip payment by Rakuten Bank App)," "FamiPay (Invoice Payment)," and "d payment (Invoice Payment)," which eliminates customer concerns that visiting a convenience store/post office is a hassle or that they may forget to make a payment.

▽"VeriTrans Post Payment" website (only in Japanese)

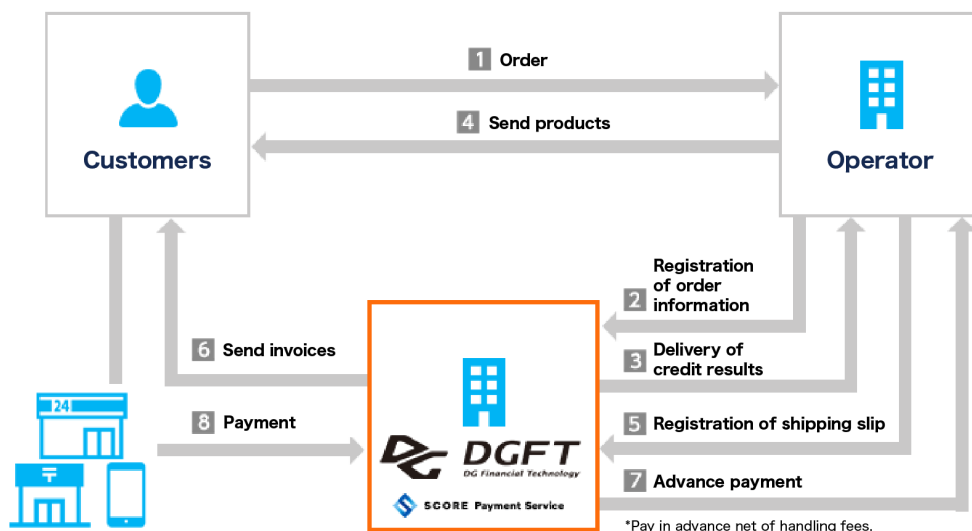
<https://www.veritrans.co.jp/payment/atobarai.html>

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■Schedule

- Reach a basic agreement: May 9, 2024
- Conclude an agreement on the transfer of shares: June 6, 2024 (temporary)
- Transfer of shares: July 1st, 2024 (temporary)

▽References

- *1 [“VeriTrans and Nissen to Establish a JV in the Postpaid Shopping Business”](#) (August 27, 2018)
- *2 [“Start of Data Linkage Between “VeriTrans Atobarai” Post-settlement Payment Service and “VeriTrans 4G” Comprehensive Payment Solution”](#) (February 13, 2020)
- *3 [“Digital Garage Establishes “DG Commerce,” a New E-commerce Site Development Company”](#) (November 9, 2023)

■About SCORE. Co., Ltd.

Name	SCORE. Co., Ltd.
Head office address	26 Nishikujojoin-machi, Minami-ku, Kyoto-shi, Kyoto
Date founded	September 2018
Representative	President and Representative Director Hikaru Kitahara
Business	Postpaid shopping payment business, Various types of financial businesses utilizing payment data
Website	https://corp.scoring.jp/

NEWS RELEASE**■About DG Financial Technology, Inc.**

Name	DG Financial Technology, Inc.
Head office address	DG Bldg. 3-5-7 Ebisu Minami, Shibuya-ku, Tokyo
Date founded	April 1997
Representative	Representative Director, Chairman and CEO Kaoru Hayashi Representative Director, President and Co-COO Keizo Odori Representative Director, President and Co-COO, Executive Officer and SEVP Hiroshi Shino
Business	Payment information processing services, payment collection agency services, money transfer services
Registered business	Electronic Payment Services (Director of the Kanto Finance Bureau No.25) Funds Transfer Service Provider (Director of the Kanto Finance Bureau No00094) Business Operator for handling Credit Card Numbers
Website	https://www.dgft.jp/company/

■About Digital Garage, Inc

Name	Digital Garage, Inc.
Head office address	DG Bldg., 3-5-7 Ebisu Minami, Shibuya-ku, Tokyo Shibuya PARCO DG Bldg., 15-1 Udagawa-cho, Shibuya-ku, Tokyo
Date founded	August 1995
Representative	Representative Director, President Executive Officer and Group CEO Kaoru Hayashi
Business	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. In addition, DG has a marketing business that provides one-stop solutions in the digital and real world, and a startup investment and development business that reaches out to promising startups and technologies in Japan and overseas.
Website	https://www.garage.co.jp/en/