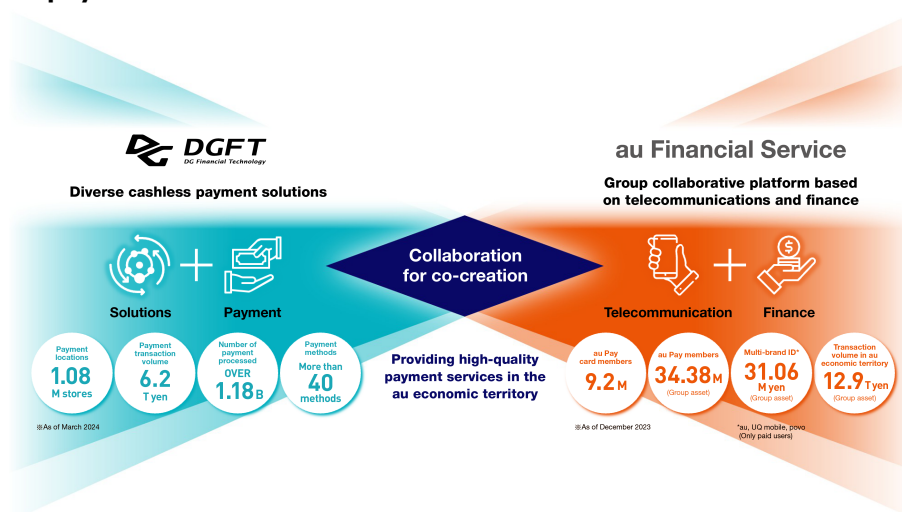


NEWS RELEASE

DG Financial Technology and au Financial Service Form a Business Alliance for Collaboration in the Payment Business

- DG Financial Technology, Inc. (DGFT), a subsidiary of Digital Garage, Inc., and au Financial Service Corporation (au Financial Service) entered into a business alliance agreement on May 8, 2024, to collaborate in the payment business.



■ Purpose of the business alliance

Cashless payments, such as credit card and QR code payments, accounted for 39.3% of total Japanese consumption in 2023, hitting a record high, and the size of the market surpassed 126 trillion yen. The “Cashless Vision” drawn up by the Ministry of Economy, Trade and Industry (METI) in 2018, with its policy of targeting a cashless ratio of 80%, one of the highest in the world, is expected to lead to continued market growth in the years ahead.

DGFT is an infrastructure company that plays a vital role in the cashless market, with 1.08 million merchants offering the system, 6.2 trillion yen in payment transaction volume, and 1.18 billion transactions per year. With the group strategy “DG FinTech Shift,” DGFT aims to achieve the early achievement of its Medium-term Plan by accelerating collaboration with various strategic partners while contributing to creating a safe, secure, and convenient cashless society.

au Financial Service is developing its business based on a unique credit extension model that multiplies a wide range of data owned by the KDDI Group, and the “au PAY Card” has been applied by 9.2 million members. Also, KDDI is expanding its business domain to support its cashless operations, including a payment service provider business that manages all credit card payments for the KDDI Group’s data communications charges and other transactions.

Through this alliance, DGFT and au Financial Service will combine the mutual business resources, knowledge, and functions in the payment domain to provide high-quality payment services in the au economic territory. Furthermore, DGFT and au Financial Service aim to expand market share and improve industry positioning in the growing cashless market by developing a one-stop payment service through co-creation collaboration.

NEWS RELEASE

■About DG Financial Technology, Inc.

DGFT provides a various cashless payment solution such as credit card, QR code, and others to more than 1 million online and offline locations of merchants across Japan. In addition to the payment service provider business, DGFT also provide e-commerce infrastructure, marketing tools, fraud detection solutions, and other services in collaboration with the DG Group and strategic partners to support various businesses in their efforts to go cashless and promote DX.

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, President and Co-COO, Executive Officer and SEVP Hiroshi Shino
Business	Payment information processing services, payment collection agency services, money transfer services
Website	https://www.dgft.jp/

■About au Financial Service Corporation

au Financial Service is driving the “Smart Money Project” to make payment and financial services more accessible to customers through smartphones, which are now essential in our daily lives. As the company that offers the most accessible services to our customers, we will continue to create new experiential value by promoting digital finance and supporting the fulfilling lifestyles of our customers.

Name	au Financial Service Corporation
Head office address	2-3-1 Nishi-Shinbashi, Minato-ku, Tokyo
Date founded	February 2014
Representative	Chief Executive Officer Atsushi Nagano
Business	Credit card business, payment service provider business, loan business, acquiring business, bank agency business, non-life insurance agency business
Website	https://www.kddi-fs.com/