November 10, 2026
Digital Garage, Inc.

NEWS RELEASE

Digital Garage Advances the Real-World Adoption of Stablecoin Payments with Memorandum of Understanding with Circle

DG SPS Supports the Arc Blockchain, Enabling Seamless USDC Payments Across Diverse Payment Scenarios, from Physical Stores to E-Commerce

–Digital Garage, Inc. (TSE Prime: 4819; headquarters: Shibuya-ku, Tokyo; Representative Director, President and Group CEO: Iku Hayashi; hereinafter "Digital Garage") has entered into a memorandum of understanding (MOU) with an affiliate of Circle Internet Group, Inc. (headquarters: New York, U.S.; CEO: Jeremy Allaire; (NYSE:CRCL); hereinafter "Circle"), the issuer of the U.S. dollar-denominated stablecoin USDC through its regulated entities, to collaborate on opportunities to expand the use of stablecoin payments in the Japanese market.

–Under this MOU, Digital Garage's stablecoin payment platform, DG Stablecoin Payment Service™ (hereinafter "DG SPS™") (Note 1), now supports Arc, the open stablecoin-native layer-1 blockchain for payments, foreign exchange, and capital markets built by Circle. This enables payment service providers using DG SPS™ to offer and use USDC payments on Arc seamlessly without additional system development or special measures.

(Note 1) Reference: Digital Garage News Release dated August 10, 2026
Digital Garage Launches Commercial Rollout of DG Stablecoin Payment Service™ (DG SPS™), a Stablecoin Payment Platform Supporting Next-Generation Payment Infrastructure

■Background and Objectives of the MOU

As cashless payments become widespread in Japan, demand is growing for new payment infrastructure that can complement existing payment methods by addressing issues such as fee costs and the time and cost involved in cross-border payments. In particular, stablecoins, whose value is linked to fiat currencies while mitigating price volatility risk, are attracting global attention as next-generation means of payment and remittance.

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Globally, including in the United States, the use of stablecoins by card companies, major payment service providers, financial institutions, and fintech companies is gaining momentum. The circulating supply of USDC, a leading U.S. dollar-backed stablecoin, has reached over $71 billion (Note 2), and stablecoins are becoming a part of major payment infrastructure.

At the same time, the development of protocols that enable AI agents to make autonomous payments is accelerating in the United States. Payment service providers are also rapidly building environments that will allow merchants to seamlessly accept payments from both humans and AI agents in the future.
Japan, too, is advancing its regulatory framework for stablecoins and broadening efforts to use them in payments. Digital Garage is accumulating knowledge toward the practical use of stablecoin payments through the commercial rollout of its proprietary payment platform, DG SPS™, and proof-of-concept (PoC) testing of stablecoin payments at physical stores.
Based on these trials, the full-scale adoption of stablecoin payments requires not only the processing speed to support seamless payments across a wide range of payment scenarios, but also mechanisms to protect transaction information and support stable operations. It is also important to reduce the development and operational burden on payment service providers when supporting new blockchains, while minimizing the effort required for merchants to implement the solution and accommodate operational changes.

Against this backdrop, the parties entered into this MOU with the aim of realizing seamless USDC payments across a broad range of payment scenarios, including in-person payments at physical stores, while reducing the burden on payment service providers and merchants. This will be achieved by integrating Digital Garage's DG SPS™ payment platform with Arc, whose deterministic sub-second finality and predictable USDC fee structure are designed to support in-person payments.

(Note 2) Retrieved from https://www.usdc.com on October 28, 2026.

■Value Delivered by Adding Arc Blockchain Support to DG SPS™

DG SPS
DG Stablecoin Payment Service

Arc

1. Deterministic Sub-Second Finality for Onchain Transactions

Arc is characterized by its ability to finalize on-chain transactions in less than one second. This helps reduce the risk of payment and transaction reversals caused by processing delays or Reorg (chain reorganization) resulting from blockchain forks, enabling the creation of a payment environment in which consumers can pay seamlessly wherever payment speed is required.

2. Advanced Security that Balances Privacy Protection and Compliance Operations

Arc's opt-in privacy features can help protect sensitive data, such as customers' asset information and merchants' sales volumes. At the same time, its design allows appropriate disclosure to relevant parties when necessary for audits and other purposes, providing a secure, compliance-aligned payment environment.

3. Sustainable Payment Infrastructure through Stable Operating Costs (Gas Fees)

Arc has a predictable USDC fee structure, with network fees (gas fees) associated with payment processing paid in USDC. As a result, there is no need to hold volatile cryptoassets for fees, and payment operating costs can be forecast accurately. This allows payment service providers to limit sudden fluctuations in platform operating costs and provide merchants with sustainable and stable payment services.

■Planned Collaborations

Starting with the addition of Arc support, the two companies plan to pursue collaboration that leverages their respective technologies and infrastructure and identify partner companies that can jointly promote the adoption of stablecoin payments. Digital Garage has begun providing DG SPS™ to JCB Co., Ltd. (hereinafter "JCB"), its initial launch partner, and plans to roll it out sequentially to DG Financial Technology, Inc. (hereinafter "DGFT"), its payment subsidiary. It will continue to expand the service broadly to a diverse range of payment service providers and partner companies.
Through collaboration with JCB and DGFT's payment platforms and merchant networks, the companies plan to drive the adoption of USDC payments on Arc and promote the real-world adoption of stablecoin payments in Japan.

■Initiatives Toward the Real-World Adoption of Stablecoin Payments

In January 2026, Digital Garage began a collaboration with JCB and Resona Holdings, Inc. (hereinafter "Resona HD") to advance the real-world adoption of stablecoin payments (Note 3). As part of this collaboration, the companies are conducting a PoC for stablecoin payments at physical stores to identify issues and consider solutions for enabling stablecoin payments at merchants in Japan.

Furthermore, in August 2026, Digital Garage launched the commercial rollout of its stablecoin payment platform, DG Stablecoin Payment Service™ (DG SPS™) (Note 4), and is accelerating its efforts toward the real-world adoption of next-generation stablecoin payments, including plans to offer the service first to JCB and DG Financial Technology, Inc., its payment subsidiary.
Through collaboration with JCB, Resona HD, and other companies, Digital Garage will contribute to the real-world adoption of stablecoin payments in Japan and overseas and to the creation of a new payment ecosystem.

(Note 3) Related Release
January 16, 2026
Digital Garage, JCB, and Resona Holdings Launch Collaboration to Advance the Real-World Adoption of Stablecoin Payments - Exploring the Creation of a Next-Generation Financial Ecosystem -
February 19, 2026
Digital Garage, JCB, and Resona HD Begin PoC Testing of Stablecoin Payments at Physical Stores - Implementing JPYC/USDC Payments Using Myna Wallet and Base App -
(Note 4) Related Release

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August 10, 2026

Digital Garage Launches Commercial Rollout of DG Stablecoin Payment Service™ (DG SPS™), a Stablecoin Payment Platform Supporting Next-Generation Payment Infrastructure