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Digital Garage, Inc.

NEWS RELEASE

DG Lab Fund Invested in 12 Start-ups with Next-Generation Technology in Fields such as Blockchain, AI, and Biotech

～DG Lab promotes technological development through collaboration with investees～

The DG Lab Fund I (also known as DG Lab Fund) that has been operated since July 2016 by DG Daiwa Ventures, Inc. (DG Daiwa Ventures), a joint venture between Digital Garage, Inc. (TSE first section: 4819; HQ: Tokyo; Representative Director, President Executive Officer and Group CEO: Kaoru Hayashi; DG) and Daiwa Securities Group, Inc. (TSE first section: 8601; HQ: Tokyo; President & CEO: Seiji Nakata; Daiwa Securities Group), has invested in 12 start-ups holding next-generation technologies in fields such as Blockchain, Artificial Intelligence (AI), and Biotech. DG strives to develop technologies in collaboration with certain investees through DG Lab, an open innovation R&D organization that was established with Kakaku.com, Inc. (TSE first section: 2371; HQ: Tokyo; President: Shonosuke Hata) and Credit Saison Co., Ltd. (TSE first section: 8253; HQ: Tokyo; President & CEO: Hiroshi Rinno).

<List of Investees>

Blockstream	Blockstream Corporation https://blockstream.com	Canada Blockchain	Developed “Sidechain technology” for application of blockchain, an infrastructural technology for bitcoins, to various applications.
entrupy	Entrupy Inc. https://www.entrupy.com/	USA AI	Provides image recognition technology for identification/authentication of fraudulent products for the C2C marketplace. This machine learning-based image-recognition technology becomes more accurate with each authentication.
GiantOtter	Giant Otter Technologies, Inc. http://www.giantotter.com/	USA AI	Develops bots that use deep learning to interact naturally. Enables more natural response based on the speaker’s characteristics by analyzing sentence structure.
Idein Inc.	Idein, Inc. http://idein.jp	Japan AI	Developed optimization compiler for deep learning model for what has been learned. Retains technology that enables swift calculation for large volumes using fewer computer resources.
Wevr	WEVR, Inc. https://wevr.com/	USA VR	Provides environment and platform for VR content producers. Realizes optimized content delivery for various head-mounted displays.
Tupac.bio	TupacBio, Inc. https://www.tupac.bio/	USA Biotech	Develops software to design DNA. Automated design for barcode arrangement and creation of mutants is also possible. Can be operated by an intuitive UI.

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THE SYNC PROJECT	The Sync Project, Inc. http://syncproject.co/	USA Biotech	Constructs a music database for musical therapy suited to various symptoms, and provides services by combining machine learning.

In contrast to net investment, a major feature of the DG Lab Fund is the inclusion of an incubation function through its collaboration with DG Lab, whose engineers have exemplary technical competence. For example, Blockstream collaborates with DG Lab by promoting joint development and verifying tests for next-generation value exchange and blockchain-based area money. Also, distinctions and investments can be made in excellent start-up companies from a global perspective as investees are selected from the profusion of international deal sources retained by the DG group. The Daiwa Securities Group applies its extensive experience and know-how in fund management so as to make the most of its inherent advantages. DG Lab Fund continues to push forward with development as a venture investment fund under the new system while simultaneously retaining the investment network incubation competence held by the DG group and the fund management knowhow held by the Daiwa Securities Group.

*This press release is not intended to offer any investment operation services and specific operation products. DG and Daiwa Securities Group are not calling for any participation of DG Lab Fund through this press release.

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