

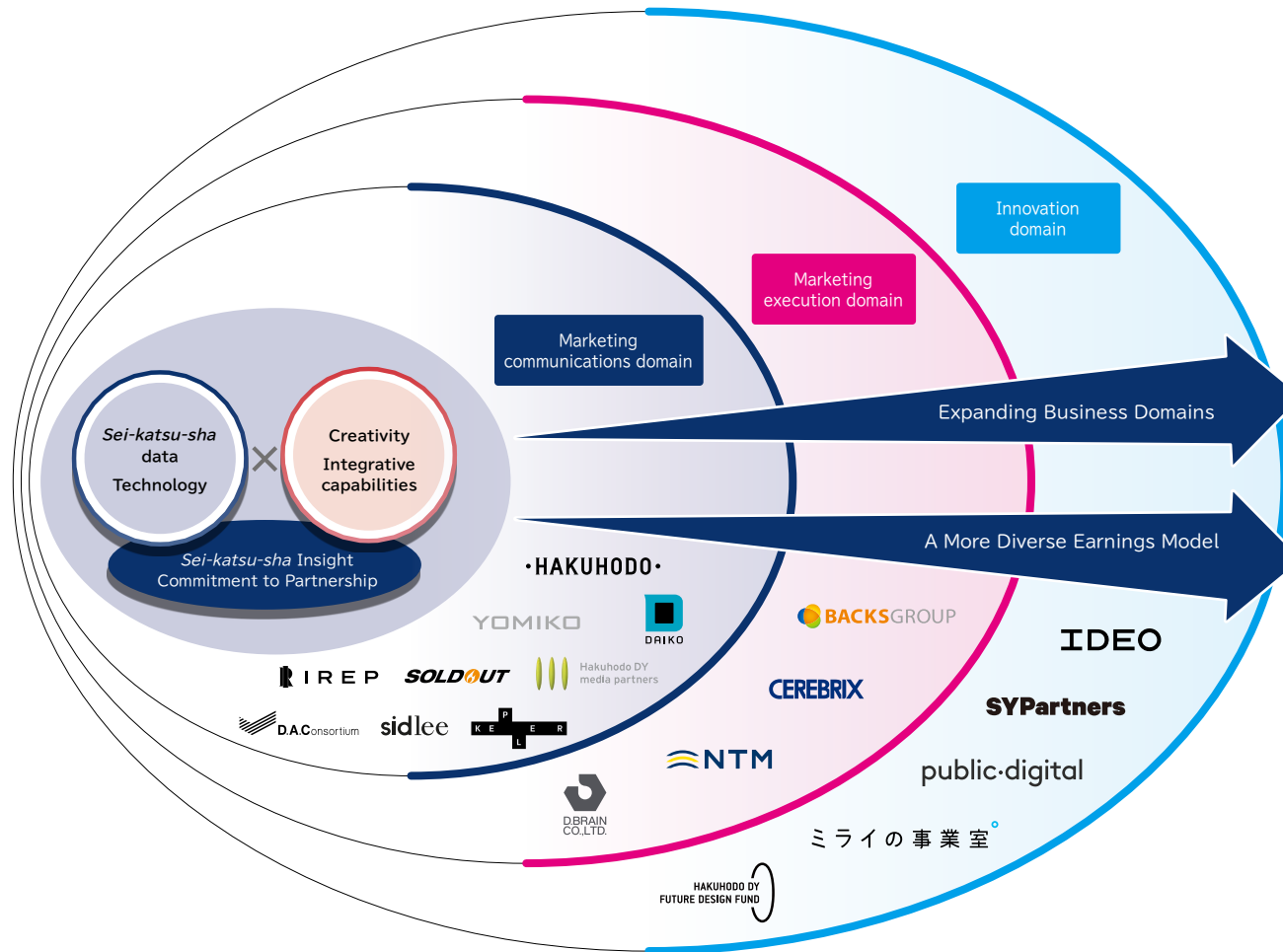
Expansion of Business Domains = Evolution from an Advertising Company

We are promoting the evolution of our business portfolio from marketing communications to the innovation domain in an effort to resolve increasingly complex and sophisticated client issues.

Objectives and Policies for Expanding Our Business Domains

To address the complex and sophisticated marketing challenges that clients face amid changes in *sei-katsu-sha* and society, in addition to strengthening and expanding its core domain of marketing communications, the Group is expanding its scope of business into marketing execution, taking a full-funnel approach to provide marketing support. It is also moving into the innovation domain, where we can demonstrate our advanced and specialized solution skills.

When expanding these business domains, our policy is to incorporate new businesses and functions that fully leverage the *Sei-katsu-sha* Insight and creativity that have been the Group's hallmarks since its founding.



Continuing to Add New Value and Impact to *Sei-katsu-sha* and Society as a Whole

Moving Toward More Stable and Continuous Earnings Growth

A More Diverse Earnings Model

By expanding our business domains, we aim to achieve more stable and continuous earnings growth by shifting from the traditional commission-based earnings structure to a fee-based model with compensation for services, as well as to a multi-layered earnings model that includes earnings from investment business and joint ventures.

Expansion of Business Domains = Evolution from an Advertising Company

Marketing Communications Domain

The Group's core operating companies (Hakuhodo Inc., Daiko Advertising Inc., and YOMIKO ADVERTISING INC.) have evolved as client agencies (partners) that support the marketing activities of clients (advertisers). These companies have strengthened their services in the communications field, particularly advertising and promotion. Since the 1990s, in step with the proliferation of the internet, we have continued to strengthen our integrated marketing solutions. We have added companies with expertise in digital media and digital marketing to the Group in efforts to adapt to increasingly diverse methods of communicating with *sei-katsu-sha*.

Supporting our clients' marketing activities with creativity and integrative capabilities based on *Sei-katsu-sha* Insight

Integrated Marketing



Production

• PRODUCT'S •



Digital Marketing



Domain-Specific Marketing

• MEDICAL •



Public Relations/ Investor Relations



Creative



Global



Company Spotlight

Contributing to the Digital Business of Local, Small and Medium-Sized, and Venture Companies



The SoldOut group is a digital marketing agency for local, small and medium-sized, and venture companies that joined the Hakuhodo DY Group in April 2022. In line with its mission to “support the aspirations and business growth of ambitious people,” the group assists clients in the areas of digital marketing, software, media production and operation, and digital transformation (DX).

Currently, SoldOut has 23 branches throughout Japan, enabling it to provide clients with face-to-face support. From starting up new businesses to accelerating operations at existing ones, SoldOut leverages technology to unleash the potential of small and medium-sized enterprises (SMEs) and venture companies throughout Japan. With a focus on facing challenges alongside its clients, since its founding the SoldOut group has been expanding its business in the digital marketing field. Furthermore, the group contributes to the Japanese economy by helping clients to increase sales, boost earning capabilities, and generate employment.



Expansion of Business Domains = Evolution from an Advertising Company

Marketing Execution Domain

Connecting businesses and *sei-katsu-sha* requires both indirect touchpoints, such as advertisements, and direct touchpoints, such as stores and e-commerce websites. Furthermore, these touchpoints need to be integrated and managed via data. We are enhancing our structure in this capacity by assembling a wide range of specialized companies to provide full-funnel marketing solutions, from customer acquisition to managing retention.

Helping clients advance their marketing efforts through the practice of full-funnel *Sei-katsu-sha* Data-Driven Marketing

Direct Marketing



Contact Centers



Marketing Systems and Infrastructure Development



Human Resource Services



Store and Space Design



Company Spotlight

Creating New Value and Driving the Market for Digital Sales Promotion



SP EXPERT'S Inc. is a digital sales promotion solutions company that was launched as an internal project in 2018 and incorporated as a Group company in April 2022.

With the vision of “using sales promotion to provide experiences that move *sei-katsu-sha* hearts,” the company specializes in online-merge-offline (OMO) sales promotion that integrates expertise in sales promotion, digital technology, and data marketing.

SP EXPERT'S strives to create new value and lead the digital sales promotion market from the perspectives of not only *sei-katsu-sha*, retailers, and manufacturers, but society as well.

Campaign Platform						
Proof of Purchase	Serial code	Receipt photo	Receipt serial	Mobile payment	Membership card	
Application Format	Free gift campaign	First-come, first-served giveaways	Instant win	Post drawing	Double chance	
Planning Scheme	Mileage	Ranking	Unlock	Bingo	Groups	Gifts
Planning Options	Video viewing	Sharing with friends	Surveys	Incentives	Digital points	Non-fungible tokens
					Spatial	acoustics



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Innovation Domain

Industries, countries, and companies alike require dynamic innovation in an era where advances in technology are eroding market barriers and transforming industrial structures. To provide solutions to the complex and sophisticated challenges clients face, the Group is strengthening its capabilities by incorporating cutting-edge and unique companies. We are also engaging actively in new business development and innovation through venture investments.

Providing consulting services based on advanced and specialized expertise and innovating through collaboration with partner companies and startups

Innovation Consulting — Consulting/Planning — New Business Development —

IDEO

HAKUHODO CONSULTING



ミライの事業室

Organizational Transformation — Startup Investment —

SYPartners



DX Strategy Consulting — Behavioral Economics Consulting —

public·digital

BEworks

Company Spotlight

Digital Transformation for Public Purpose **public·digital**

Public Digital is a digital transformation (DX) consultancy, headquartered in London, that radically transforms how organizations work so that they deliver excellent services and greater impact, even when the future is uncertain.

Before founding Public Digital, many of the team led the digital transformation of the U.K. government, achieving 1st place in the UN e-government rankings.

Today, the company is staffed with experts in leadership, technology, strategy, service design, data, and product management.

Public Digital's clients have a strong public purpose, improving the lives of millions: international funders, governments, and multinational businesses, including the World Bank, UN Development Programme, Bill and Melinda Gates Foundation, and the governments of Canada, California, and Madagascar.

A global purpose-led company dealing with global issues, Public Digital offers expertise, experience and empathy, taking a uniquely competitive position in the market.

