

**Hakuhodo DY Holdings strategic operating unit kyu acquires shares  
in UK-based DX consulting firm Public Digital Ltd.**

Hakuhodo DY Holdings Inc. (Minato-ku, Tokyo; Masayuki Mizushima, President) is pleased to announce that its strategic operating unit kyu has acquired a 25% equity stake in Public Digital Ltd., a digital transformation (DX) consulting company based in the United Kingdom. We have also reached agreement with Public Digital shareholders to have an option to purchase a majority interest at a future date.

As the need for contactless and non-face-to-face communication rises all at once as a result of measures to prevent the transmission of COVID-19, organizations around the world are putting their trust in DX as the key to their survival and growth. Headquartered in London, Public Digital provides consulting on DX in the broad sense to governmental bodies, private companies and other entities. With IT technicians, creative directors, technology editorial writers, financial digital product developers and other specialists, the company can assist with the transformation of clients' organizations and businesses, including forming digital organizations, recruiting and training the right human resources, and designing new services.

Having provided consulting to private-sector companies and public organizations in 18 countries worldwide (including the United Nations, the World Bank, the Inter-American Development Bank and the Government of Argentina) at all levels, from senior management to front-line staff, Public Digital's strengths lie in the planning and implementation of agile service and product development, taking organizations from zero to digitization rapidly.

The company has recently provided consulting on the construction of coronavirus websites to more than 30 entities, including governments, local authorities, health centers and other organizations, supporting the provision of the up-to-the-minute COVID-19 information required by many people, and is regarded highly for this track record.

Since its establishment, Public Digital has had a system for receiving work orders remotely from all over the world, and continues to support its clients as normal even during the COVID-19 pandemic.

The investment in Public Digital by kyu is undertaken toward strengthening response capabilities for borderless corporate activities by recruiting specialized and innovative companies into the Group and establishing a leading position in the broader digital domain, two of the fundamentals for growth (see note) that were outlined in the Group's previous Medium-Term Business Plan and continue in the current five-year period.

Note: The three fundamentals for growth are: (1) Establish a leading position in the broader digital domain, (2) Strengthen response capabilities for borderless corporate activities, (3) Accelerate innovation through external collaborations

Since its establishment in 2014, kyu has welcomed nine corporate groups as members, including design firms and consulting companies in the United States and Canada. The Hakuholdo DY Group, through kyu, will continue to enhance specialization and innovation within the Group in order to realize our core medium-term strategy: “With *sei-katsu-sha* insight as our cornerstone, the Hakuholdo DY Group will combine its creativity, integrative capabilities, and data and technology utilization skills to play a leading role in evolving companies’ marketing activities and generating innovation in a completely digitalized era. In this way, we will continue to impact and provide new value to *sei-katsu-sha* and society as a whole,” while also contributing to the growth of the Group’s international operations. The impact of the acquisition of Public Digital on consolidated performance in the year ending March 31, 2021 will not be material.

### **About Public Digital**

Company name: Public Digital Ltd.

Headquarters: London, UK

Established: 2015

CEO: Ben Terrett

Business: Digital transformation consulting services

- Consulting on digital transformation for organizations
- Support for a transformative digital organizations
- Recruitment and training of digital human resources for organizations
- Design of user-centered policies and services
- Building of websites and apps, diversification of digital interfaces (shifting to multi-platform models)
- Development of digital products, etc.

Key clients: Mexichem (Mexican chemical manufacturer), Homes and Communities Agency (UK Government Agency), Intercorp (Peruvian conglomerate), the government of the US state of California, the government of the Canadian province of Nova Scotia, the Scottish government

Website: <https://public.digital/>

### **■ About Hakuholdo DY Holdings**

Hakuholdo DY Holdings Inc. is a marketing services company headquartered in Tokyo, Japan. It was formed in 2003 when its core brand agencies Hakuholdo Inc. (founded 1895), Daiko Advertising Inc. (founded 1944), and Yomiko Advertising Inc. (founded 1946) integrated and created a joint holding company (“DY” represents the initial letters of Daiko and Yomiko, respectively).

The Hakuholdo DY Group comprises seven distinct groups: The Group’s integrated advertising companies Hakuholdo, Daiko, and Yomiko; the next-generation digital agency IREP; the integrated media company Hakuholdo DY Media Partners; D.A.Consortium; and the strategic operating unit kyu.

*Advertising Age* ranks the Group the world’s No. 11 agency company. The Group consists of 386 subsidiaries and affiliates, with a combined total of around 24,000 employees working in 21 countries and regions.

*Sei-katsu-sha* Insight, the centerpiece of the Hakuholdo DY Group's philosophy, is the foundation for the Group's thinking, planning, and brand building. It recognizes that people are not just consumers performing an economic function, but rather individuals with distinct lifestyles, aspirations, and dreams. They are *sei-katsu-sha*, or "people with lives." Hakuholdo introduced this term in the 1980s to emphasize its commitment to a comprehensive, 360-degree, perspective on peoples' lives.

Renowned for its creativity, the Hakuholdo DY Group has won the Grand Prix at the Cannes Lions International Festival of Creativity multiple times.



#### ■ About kyu

kyu is an independent strategic operating unit of Hakuholdo DY Holdings Inc. operating in parallel with the Group's core companies. It was created in May 2014 to ensure the continuous enhancement of specialization and innovation in the Hakuholdo DY Group through M&A with innovative and unique specialist marketing and creative service companies primarily in North America and Europe. The CEO of kyu is Michael Birkin and its CFO is A.J. Hughes.

Website: <http://www.kyu.com/>

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