

September 11, 2025

To all parties concerned.

Company name	Hakuhodo DY Holdings Inc.
Representative	Yasuo Nishiyama Representative Director & President (Code number 2433, TSE Prime Market)
Inquiries	Daisuke Hara Executive Manager, Investor Relations Division (Tel: +81-3-6441-9033)

Notice Regarding Company Split (Simplified Absorption-Type Company Split)

As announced in the “Notice Regarding the Commencement of the Tender Offer for the Share Certificates of DIGITAL HOLDINGS, INC. (Securities Code: 2389)” dated September 11, 2025 (the “Tender Offer Press Release”) the Company resolved at the meeting of its Board of Directors held on that date that, subject to the completion of the tender offer to be conducted from September 12, 2025 to October 28, 2025 for the purpose of acquiring share certificates of DIGITAL HOLDINGS, INC. (“Digital Holdings,” and that tender offer, the “Tender Offer”), the Company will acquire shares of HIBC Co., Ltd. (“HIBC”) and Time & Space, Ltd. (“Time and Space”) (collectively, the “Share Transfer”), thereby making both of those companies wholly-owned subsidiaries of the Company. The Company further resolved that, subject to those companies becoming wholly-owned subsidiaries, on November 5, 2025 as the effective date, the Company will enter into absorption-type company split agreements regarding the company splits (simplified absorption-type company splits) (collectively, the “Company Split”) under which the rights and obligations relating to the businesses of HIBC and Time and Space of holding shares of Digital Holdings will be succeeded to the Company. Accordingly, the Company hereby announces the following.

As the Company Split is an absorption-type company split in which the increase or decrease in the Company’s total assets is expected to be less than 10% of its net assets as of the last day of the immediately preceding fiscal year, and the increase or decrease in the Company’s net sales is expected to be less than 3% of its net sales of the immediately preceding fiscal year, certain disclosure items and details have been omitted.

1. Purpose of the Company Split

As stated in the Tender Offer Press Release, as part of the transaction aimed at making Digital Holdings a wholly owned subsidiary of the Company, the Company will conduct the Company Split in connection with its acquisition, through the Share Transfer, of the common shares of Digital Holdings owned by HIBC and Time and Space.

2. Overview of the Company Split

(1) Schedule of the Company Split

Date of Resolution of the Board of Directors Approving the Absorption-Type Company Split Agreements	September 11, 2025 (Thursday)
Date of Execution of the Absorption-Type Company Split Agreements	September 11, 2025 (Thursday)
Scheduled Date of Company Split	November 5, 2025 (Wednesday) (tentative)

(Effective Date)	
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(Note 1) Since the Company Split constitutes a simplified absorption-type company split under Article 796, paragraph (2) of the Companies Act for the Company, the Company Split will be carried out without obtaining approval by resolution of a shareholders meeting of the Company with respect to the absorption-type company split agreements.

(Note 2) The effectiveness of the Company Split is subject to the conditions that the Tender Offer has been duly and validly completed, that the incorporation-type company split under which HIBC transfers to a newly established company its businesses other than its business of holding shares of Digital Holdings shareholding business, and the absorption-type company split under which Time and Space transfers to another company its businesses other than its business of holding shares of Digital Holdings have duly and validly taken effect, and that the Share Transfer has been duly and validly conducted.

(2) Method of the Company Split

The Company Split will be an absorption-type company split in which HIBC and Time and Space will be the split companies and the Company will be the successor company.

(3) Details of Allotment under the Company Split

Since the Company Split will take effect after HIBC and Time and Space become wholly owned subsidiaries of the Company through the Share Transfer, it will be a split without consideration, and no shares or other property will be allotted.

(4) Treatment of Stock Acquisition Rights and Bonds with Stock Acquisition Rights in Connection with the Company Split

Not applicable.

(5) Increase or Decrease in Capital Stock Resulting from the Company Split

There will be no increase or decrease in the Company's capital stock as a result of the Company Split.

(6) Rights and Obligations to be Succeeded to by the Successor Company

- (i) In accordance with the provisions of the absorption-type company split agreement executed with HIBC, the Company will succeed to the rights and obligations relating to the common shares of Digital Holdings held by HIBC and the loan obligations owed to Mr. Noboru Hachimine.
- (ii) In accordance with the provisions of the absorption-type company split agreement executed with Time and Space, the Company will succeed to the rights and obligations relating to the common shares of Digital Holdings held by Time and Space and the loan obligations owed to Mr. Atsushi Nouchi.

(7) Prospect of Performance of the Obligations

The Company has determined that there will be no issues with the prospect of the performance of the obligations to be assumed on or after the effective date of the Company Split.

3. Overview of the Parties to the Company Split

	Successor Company	Split Company A	Split Company B
(1) Names	Hakuhodo DY Holdings Inc.	HIBC Co., Ltd.	Time & Space, Ltd.
(2) Addresses	5-3-1 Akasaka, Minato-ku, Tokyo	Chiyoda-ku, Tokyo	Shibuya-ku, Tokyo
(3) Representatives	President and Representative Director Yasuo Nishiyama	Representative Director Noboru Hachimine	Representative Director Atsushi Nouchi
(4) Description of Business	Management of subsidiaries engaged in providing comprehensive marketing communication services to advertisers and other companies	Asset management and management services, etc.	Asset management and management services, etc.
(5) Capital	JPY 10,790 million	JPY 100 million	JPY 1 million
(6) Date of Incorporation	October 1, 2003	March 17, 2008	April 22, 2013
(7) Total Number of Issued Shares	389,559,436 shares (as of June 30, 2025)	9,000 shares	20 shares
(8) Fiscal Year-End	March 31	December 31	Last day of February
(9) Major Shareholders and Shareholding Ratio (as of June 30, 2025)	Hakuhodo Foundation 19.32% The Master Trust Bank of Japan, Ltd. (Trust Account) 8.86% Hakuseikai General Incorporated Association 4.98% State Street Bank And Trust Company 505001 (Standing Proxy: Mizuho Bank, Ltd., Settlement & Clearing Services Department) 3.26% The Asahi Shimbun Company 3.05%	Noboru 100.00% Hachimine	Atsushi 100.00% Nouchi
(10) Relationship Between the Split Companies and the Successor Company			

Capital relationships	Not applicable.		
Personnel relationships	Not applicable.		
Business relationships	Not applicable.		
(11) Financial Condition and Business Results for the Most Recent Fiscal Year			
Fiscal year-end	Fiscal year ended March 2025	Fiscal year ended December 2024	Fiscal year ended February 2025
Net assets	JPY413,682 million	JPY 1,410 million	JPY 96 million
Total assets	JPY 1,050,191million	JPY 6,655 million	JPY 695 million
Net assets per share	JPY 1,062.25	JPY 156,618.89	JPY 4,777,972.40
Net sales	JPY 1,613,101 million	JPY 358 million	JPY 7 million
Operating income	JPY 37,581 million	JPY 256 million	(JPY 16 million)
Ordinary income	JPY 42,660 million	JPY 247 million	JPY 24 million
Net income attributable to the shareholders of the parent company	JPY 10,768 million	JPY 211 million	JPY 19 million
Net income per share	JPY 29.32	JPY 23,472.42	JPY 942,505.35
Dividend per share	JPY 32	JPY 0	JPY 0

(Note 1) The names of the representatives of Split Company A and Split Company B under item (3) are scheduled to be changed to a person designated by the Company on November 5, 2025.

(Note 2) With respect to the major shareholders and shareholding ratio of Split Company A and Split Company B in item (9), the Company will hold 100% of the shares of each of those companies as of November 5, 2025 as a result of the Share Transfer.

4. Overview of the Business Divisions to be Succeeded

(1) Description of the Businesses of the Divisions to be Succeeded

Business of holding shares of Digital Holdings

(2) Business Results of the Divisions to be Succeeded

A. HIBC

Net sales: JPY 0 (fiscal year ended December 2024)

B. Time and Space

Net sales: JPY 0 (fiscal year ended February 2025)

(3) Assets and Liabilities to be Succeeded and Their Book Values

A. HIBC(fiscal year ended December 2024)

Assets		Liabilities	
Item	Book value	Item	Book value
Current assets	JPY 0million	Current liabilities	JPY 0million
Fixed assets	JPY 4,603million	Fixed liabilities	JPY 3,456million
Total	JPY 4,603million	Total	JPY 3,456million

B. Time and Space(fiscal year ended February 2025)

Assets		Liabilities	
Item	Book value	Item	Book value
Current assets	JPY 0million	Current liabilities	JPY 0million
Fixed assets	JPY 381million	Fixed liabilities	JPY 381million
Total	JPY 381million	Total	JPY 381million

The actual assets and liabilities to be transferred in the Company Split will be determined by taking into account any increases or decreases up to the effective date, in addition to the amounts stated above.

5. Status After the Company Split

There will be no change to the Company's name, location, the title and name of representative, business description, capital stock, or fiscal year-end as a result of the Company Split.

6. Future Outlook

The Company Split will not have an impact on the Company's consolidated operating results.

(Reference) Consolidated Operating Results for the Current Fiscal Year (Announced on May 13, 2025) and Consolidated Results for the Previous Fiscal Year

	Earnings	Operating income	Ordinary income	Net income attributable to the shareholders of the parent company	Net income per share
Consolidated operating results for the current fiscal year (fiscal year ending March 31, 2026)	JPY million 970,000	JPY million 40,000	JPY million 43,000	JPY million 20,000	JPY 54.45
Consolidated results for the previous fiscal year (fiscal year ended March 31, 2025)	953,316	37,581	42,660	10,768	29.32

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