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DENTSU GROUP INC.
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FOR IMMEDIATE RELEASE August 4, 2022

Dentsu Group Invests in Japanese Startup Pretia Technologies, Developer of an AR Cloud Platform

Dentsu Group Inc. (Tokyo: 4324; ISIN: JP3551520004; President & CEO: Hiroshi Igarashi; Head Office: Tokyo; Capital: 74,609.81 million yen; hereinafter referred to as "the Company") announced today that it has made an investment in Pretia Technologies, Inc. (CEO: Yu Ushio; Head Office: Tokyo; hereinafter "Pretia Technologies"), which develops AR Cloud Platform "Pretia." The investment was made through Dentsu Group's R&D organization Dentsu Innovation Initiative (hereinafter "DII").

The reasons behind the investment decision include the full-scale introduction of 5G (fifth-generation mobile communications system), the increasing utilization of digital technologies driven by the COVID-19 pandemic, the continued growing need for XR transformation, and the expectation that the global AR/VR market will grow to around 80 billion US dollars by 2025*1. Meanwhile, in order to drive the wider adoption of AR, there are a few challenges to be overcome: User-friendly AR experiences, low availability of technology that allows a simultaneous multi-user AR experience, and high development costs.

Pretia Technologies provides the AR cloud platform "Pretia" globally*2 to solve these challenges. It also offers an application development business using "Pretia" for location-based entertainment where people can enjoy immersive content on site, as well as for the retail and manufacturing industries.

The "Pretia" AR cloud platform's strength is that it is not AR built on top of the real world, but an AR experience that is blended inside the real world. For example, the "Pretia" 3D scanner app scans physical spaces and creates 3D maps (converting it to point cloud data), and by using the data to estimate the self-location with high precision, it is possible to accurately deliver the AR experience intended by its developer. In addition, "Pretia" enables AR experiences which multiple users can play and share simultaneously, delivering users an AR experience that is similar to reality.

Taking this investment as an opportunity, by combining Pretia Technologies' AR cloud knowledge, end-user experience design, and its application development and operational capabilities with our business development capabilities, creativity and networks, the Company will promote and support XR transformation in a wide range of domains, including entertainment and marketing promotions. In addition, the Company will further accelerate the Group-wide promotion of R&D activities such as 3D advertising, commerce and data management in the XR domain.

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At the core of this initiative is DII's XR team, which promotes R&D across the entire Dentsu Group. DII will continue to collaborate with XRX Studio*³, the co-creative organization which was jointly formed with five Dentsu Japan Network*⁴ companies to co-create with client companies and partner companies, and to contribute to the growth of their respective businesses.

Profile of Pretia Technologies

Company Name:	Pretia Technologies, Inc.	Corporate Logo
Location:	Tunnel Tokyo, 9th Floor, Sumitomo Fudosan Osaki Garden Tower, 1-1- 1, Nishi-Shinagawa, Shinagawa-ku, Tokyo	Pretia
Date of Establishment:	July 15, 2014	
Representative:	Yu Ushio, CEO	
Line of Business:	Internet service planning, development and business operation	
URL:	https://corporate.pretiaar.com/en/	

DII: R&D policy in the XR domain

What the XR team believes



At DII, we believe that XR technology will expand dimensions, senses, and spaces, making people's lives around the world richer and more convenient. We will continue to work globally with outside partners to create valuable business foundations and solutions for the future.

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- *1 Source: The Real Deal with Virtual and Augmented Reality, Goldman Sachs https://www.goldmansachs.com/terms-and-conditions/index.html
- *2 Excluding the EU
- *3 XRX STUDIO comprises DII and five companies:

Dentsu Innovation Initiative https://innovation.dentsu.com/

Dentsu Inc. https://www.dentsu.co.jp/en/

Dentsu Digital Inc. https://www.dentsudigital.co.jp/en/en-lp

Dentsu Live Inc. https://www.dentsulive.co.jp/en

Dentsu Promotion Plus Inc. https://www.dentsu-pmp.co.jp/ (Japanese language only)

Information Services International-Dentsu Ltd. https://www.isid.co.jp/english/

For more information on XRX STUDIO, please visit https://www.xrx.jp/ (Japanese language only)

*4 Dentsu Japan Network (DJN) is an in-house company within the pure holding company Dentsu Group Inc., and supports approximately 160 Dentsu Group companies operating in Japan. DJN also refers to the network itself consisting of those Group companies. URL: https://www.japan.dentsu.com/en/

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