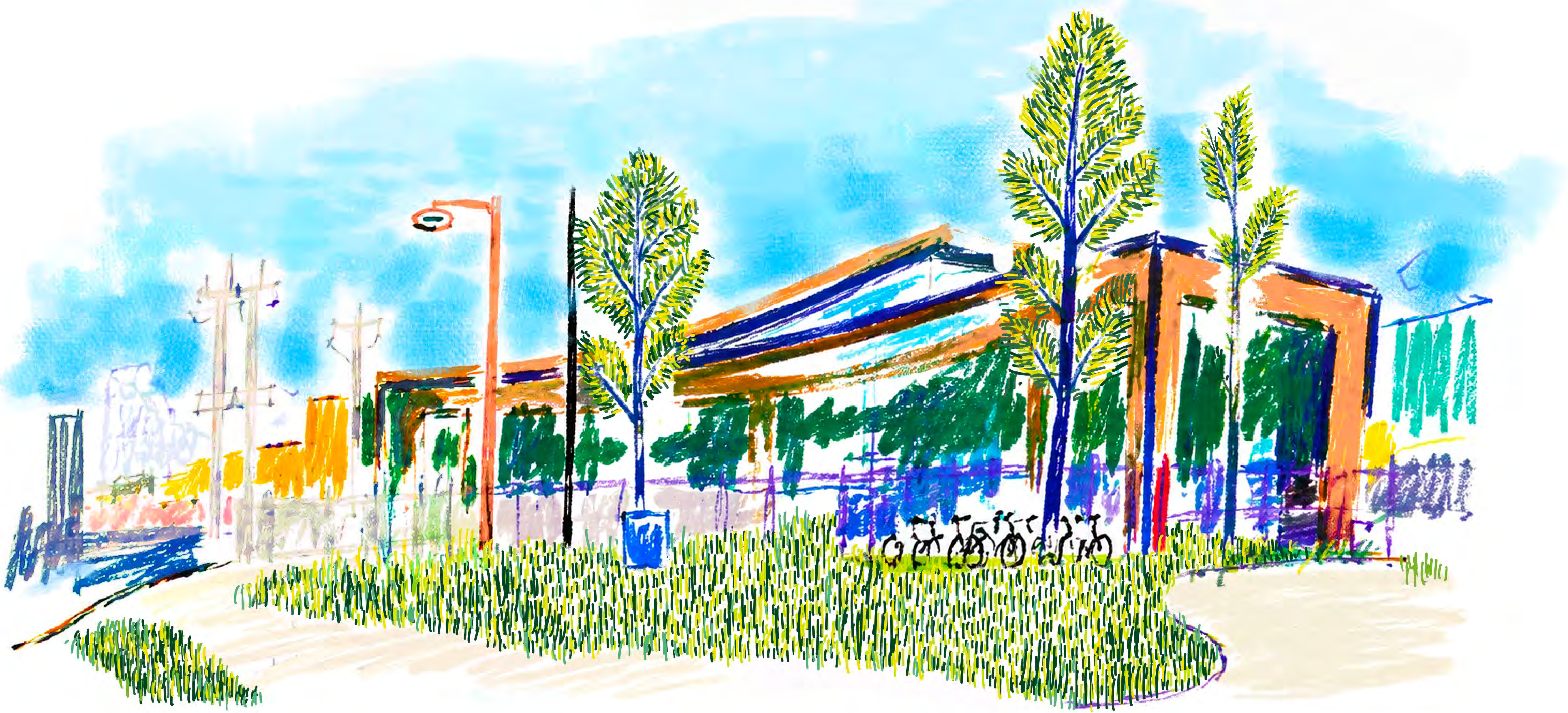


# 1Q FY2026 ZOZO, Inc. CONSOLIDATED BUSINESS RESULTS

ZOZO

# DECISION ON THE REPURCHASE OF SHARES AND CANCELLATION OF TREASURY SHARES (ANNOUNCED ON JUNE 16, 2026)

【Purpose】 Enhancing shareholder returns and improving capital efficiency (ROE) to increase corporate value

| | |
|---|---|
| Shareholder return policy | ・The Company aims to achieve a total return ratio of over 80% on a five-year average basis beginning with the fiscal year ended March 31, 2024 (announced on October 31, 2023).<br>・While maintaining a dividend payout ratio of 70% as the base, the Company will conduct share repurchases in a flexible manner, taking into account its cash position and share price. |
| ① Repurchase of shares | Maximum repurchase amount: 30.0 billion yen or 43.0 million shares (market purchases)<br>Repurchase period: June 17, 2026 to December 30, 2026 (planned) |
| ② Cancellation of treasury shares | Number of shares to be cancelled: All shares repurchased under ① above<br>Scheduled cancellation date: January 29, 2027 |
| Expected impact | ROE for the fiscal year ending March 31, 2027 is expected to exceed 50%.<br>*FY2025 actual: 46.6% |

(Reference) Repurchase status (as of June 30, 2026)

Number of shares repurchased: 2,528,300 shares
Total repurchase amount: 2,841 million yen

# HIGHLIGHTS

1Q FY2026 ZOZO, Inc.
CONSOLIDATED BUSINESS RESULTS

# FY2026 1Q HIGHLIGHTS

## Gross Merchandise Value

**156.7 billion yen**

(−1.6% YoY / Achievement rate 23.1%)

## Gross Merchandise Value

(excluding other GMV)

**156.6 billion yen**

(+5.1% YoY / Achievement rate 23.1%)

## Adjusted EBITA

**18.7 billion yen**

(+3.6% YoY / Achievement rate 24.1%)

## Adjusted EBITA Margin

**12.0%**

(−0.1 point YoY)

※Adjusted EBITA margin is calculated by dividing Adjusted EBITA by the Gross Merchandise Value (excluding other GMV).

# KEY UPDATES BY DOMAIN TOWARD ACHIEVING THE MEDIUM-TERM BUSINESS PLAN

**Medium-Term Business Plan: Targeting Adjusted EBITA* of ¥90.0 billion for the fiscal year ending March 2030**
**Background: Expansion beyond ZOZOTOWN into new markets**

## "More Fashion" domain (ZOZOTOWN)

**¥80 billion**

### Q1 Highlights

- Strong new member acquisition driven by proactive promotional investments.
- Launched "Lab-kun, ZOZO' s outfit recommendation AI" in April.
  Ongoing feature enhancements are expected to drive further traffic growth.

## "Near Fashion" domain

**¥5 billion**

### Q1 Highlights

- PMI following the consolidation of HIGH LINK in May is progressing smoothly.
- Began directing ZOZOTOWN users to "Coloria," HIGH LINK's flagship service, to realize synergies.

## "Global" domain

**¥5 billion**

### Q1 Highlights

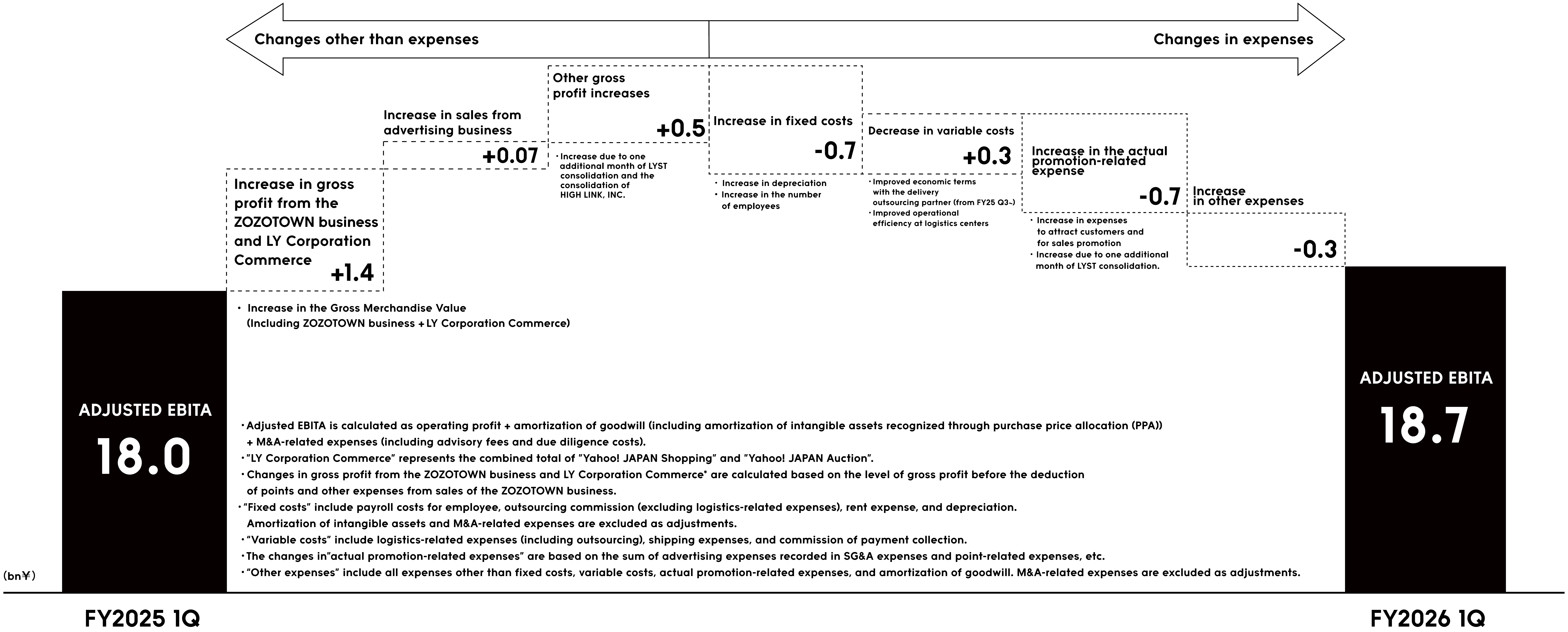
- The number of partners committed to implementing LYST Checkout is increasing in line with plan.

*Adjusted EBITA = Operating profit + amortization of goodwill (including amortization of intangible assets recognized through purchase price allocation (PPA)) + M&A-related expenses (including advisory fees and due diligence costs)

# BUSINESS RESULTS


1Q FY2026 ZOZO, Inc.
CONSOLIDATED BUSINESS RESULTS

# INCREASE-DECREASE ANALYSIS OF ADJUSTED EBITA (YoY COMPARISON)




・Adjusted EBITA is calculated as operating profit + amortization of goodwill (including amortization of intangible assets recognized through purchase price allocation (PPA)) + M&A-related expenses (including advisory fees and due diligence costs).
・"LY Corporation Commerce" represents the combined total of "Yahoo! JAPAN Shopping" and "Yahoo! JAPAN Auction".
・Changes in gross profit from the ZOZOTOWN business and LY Corporation Commerce" are calculated based on the level of gross profit before the deduction of points and other expenses from sales of the ZOZOTOWN business.
・"Fixed costs" include payroll costs for employee, outsourcing commission (excluding logistics-related expenses), rent expense, and depreciation. Amortization of intangible assets and M&A-related expenses are excluded as adjustments.
・"Variable costs" include logistics-related expenses (including outsourcing), shipping expenses, and commission of payment collection.
・The changes in"actual promotion-related expenses" are based on the sum of advertising expenses recorded in SG&A expenses and point-related expenses, etc.
・"Other expenses" include all expenses other than fixed costs, variable costs, actual promotion-related expenses, and amortization of goodwill. M&A-related expenses are excluded as adjustments.

# CONSOLIDATED BALANCE SHEET

(million¥)

| | FY2025 (as of March 31, 2026) | FY2026 1Q (as of June 30, 2026) | | FY2025 (as of March 31, 2026) | FY2026 1Q (as of June 30, 2026) |
|---|---|---|---|---|---|
| Current assets | 130,314 | 105,640 | Current liabilities | 80,672 | 68,801 |
| Cash and deposits | 69,416 | 37,197 | Short-term borrowing | 20,000 | 20,073 |
| Merchandise | 3,496 | 4,126 | Non-current liabilities | 10,797 | 11,457 |
| Non-current assets | 67,946 | 73,229 | Total liabilities | 91,470 | 80,258 |
| Property, plant and equipment | 26,930 | 28,206 | Shareholders' equity | 103,042 | 94,424 |
| Intangible assets | 28,589 | 33,424 | Treasury stock | -11,039 | -13,881 |
| Investments and other assets | 12,425 | 11,597 | Total net assets | 106,789 | 98,610 |
| Total assets | 198,260 | 178,869 | Total liabilities and net assets | 198,260 | 178,869 |

POINT 01

Compared with the end of the previous fiscal year, cash and deposits decreased due to transfers to a securities account for the planned share repurchase and tax payments, while goodwill increased following the acquisition of HIGH LINK, INC. as a wholly owned subsidiary.

# SELLING, GENERAL AND ADMINISTRATIVE(SG&A) EXPENSES(1Q YTD)

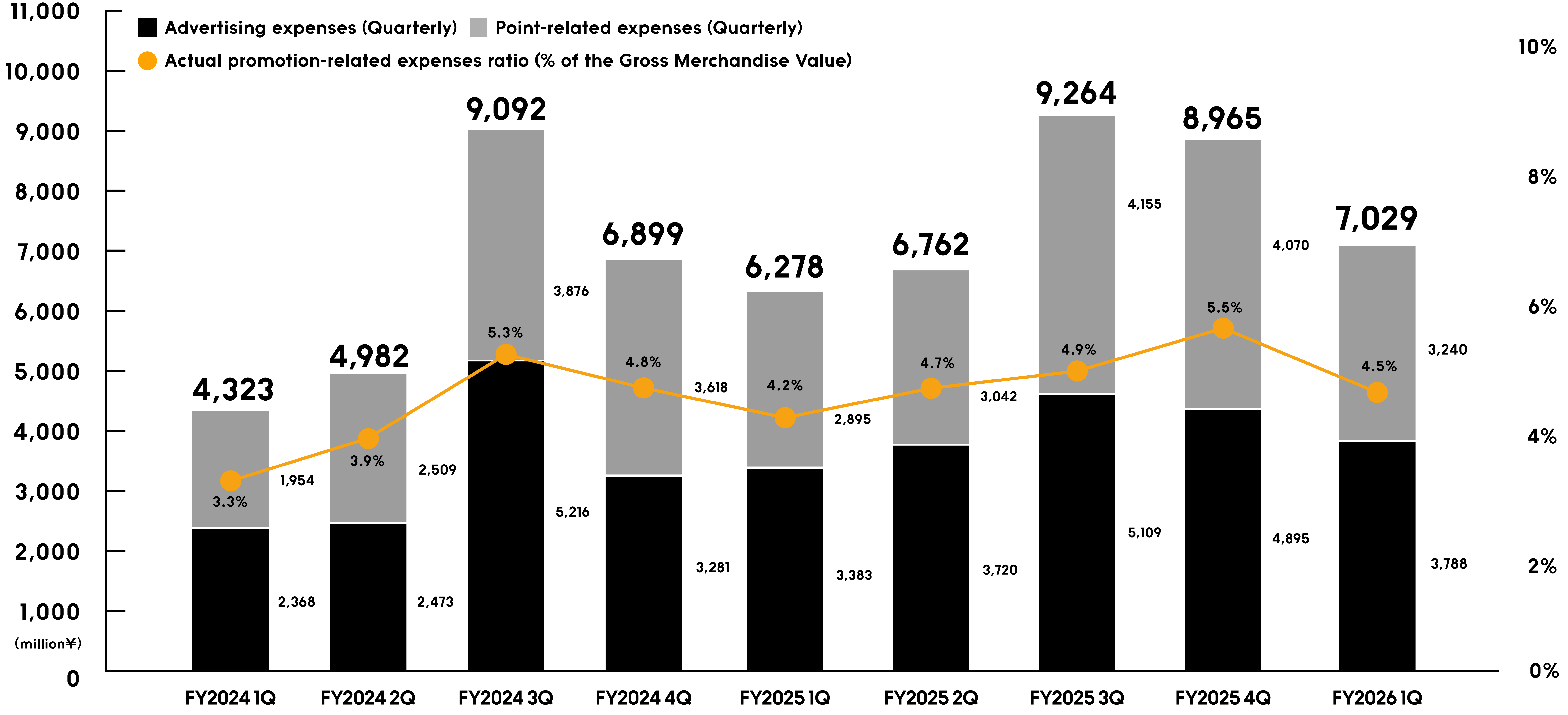
(million¥)

| | FY2025 1Q | | FY2026 1Q | | YoY | Increase / decrease factors |
|---|---|---|---|---|---|---|
| | Amount | % of the Gross MerchandiseValue | Amount | % of the Gross MerchandiseValue | % of the Gross MerchandiseValue | |
| Payroll and staff costs | 8,224 | 5.5% | 8,487 | 5.4% | -0.1% | |
| Payroll costs for employee | 4,119 | 2.8% | 4,492 | 2.9% | 0.1% | Transition of the number of employees on a consolidated basis：FY25 Q1 1,900 → FY26 Q1 1,941<br>Increase in headcount due to new graduate hires and the consolidation of HIGH LINK, INC. from May 2026. |
| Logistics-Related Expenses (Including Outsourcing) | 4,105 | 2.8% | 3,994 | 2.5% | -0.3% | Cost ratio declined due to improved operational efficiency resulting from better inventory storage conditions. |
| Outsourcing Commission (Excluding Logistics-Related Expenses) | 2,106 | 1.4% | 2,074 | 1.3% | -0.1% | One-time recognition of LYST acquisition-related expenses (FY25 Q1) |
| Shipping | 9,336 | 6.3% | 8,977 | 5.7% | -0.6% | Cost ratio declined due to improved economic terms with the delivery outsourcing partner from October 2025, following initiatives to improve delivery efficiency. |
| Commission of Payment collection | 3,210 | 2.2% | 3,284 | 2.1% | -0.1% | |
| Advertising | 3,383 | 2.3% | 3,788 | 2.4% | 0.1% | Increase in web advertising costs for ZOZOTOWN and increased expenses associated with one additional month of LYST consolidation. |
| Rent expense | 2,156 | 1.4% | 2,162 | 1.4% | 0.0% | |
| Depreciation | 1,194 | 0.8% | 1,520 | 1.0% | 0.2% | Increase due to the commencement of depreciation of material handling equipment for shipments at an existing logistics center. |
| Amortization of goodwill | 391 | 0.3% | 760 | 0.5% | 0.2% | Increase due to one additional month of LYST consolidation and the consolidation of HIGH LINK, INC. |
| Stock Compensation Expenses | 71 | 0.0% | 25 | 0.0% | 0.0% | |
| Others | 3,770 | 2.5% | 3,505 | 2.2% | -0.3% | One-time recognition of LYST acquisition-related expenses (FY25 Q1) |
| Total SG&A | 33,845 | 22.7% | 34,587 | 22.1% | -0.6% | |

* Payroll includes directors' remuneration, employee salaries,bonuses, legal welfare expenses, welfare expenses, retirement benefits cost, provision for employee bonuses, expenses of company pension premium, subcontracting payroll, a portion of expenses at logistics centers operation. "Employee" includes directors, full-time employees and personnel engaged in operations other than logistics operation, "Logistics-Related Expenses" includes part-timers, dispatched workers(subcontracting payroll) and substantial personnel expenses within outsourcing commission of staff working for logistics operations.
* The percentages of the Gross Merchandise Value are calculated by dividing each expense by the Gross Merchandise Value (excluding other GMV).

# ACTUAL PROMOTION-RELATED EXPENSES

**Actual promotion-related expenses: The sum of advertising expenses and point-related expenses**




POINT 03

The ratio of actual promotion-related expenses to GMV for the first quarter was 4.5%, up from the same period of the previous fiscal year but slightly below the initial plan. The primary factors behind the year-on-year increase were strengthened web advertising and free-shipping measures for ZOZOTOWN, as well as one additional month of LYST consolidation compared with the same period of the previous fiscal year. For the full year, the ratio is planned at 4.8%, in line with the previous fiscal year.

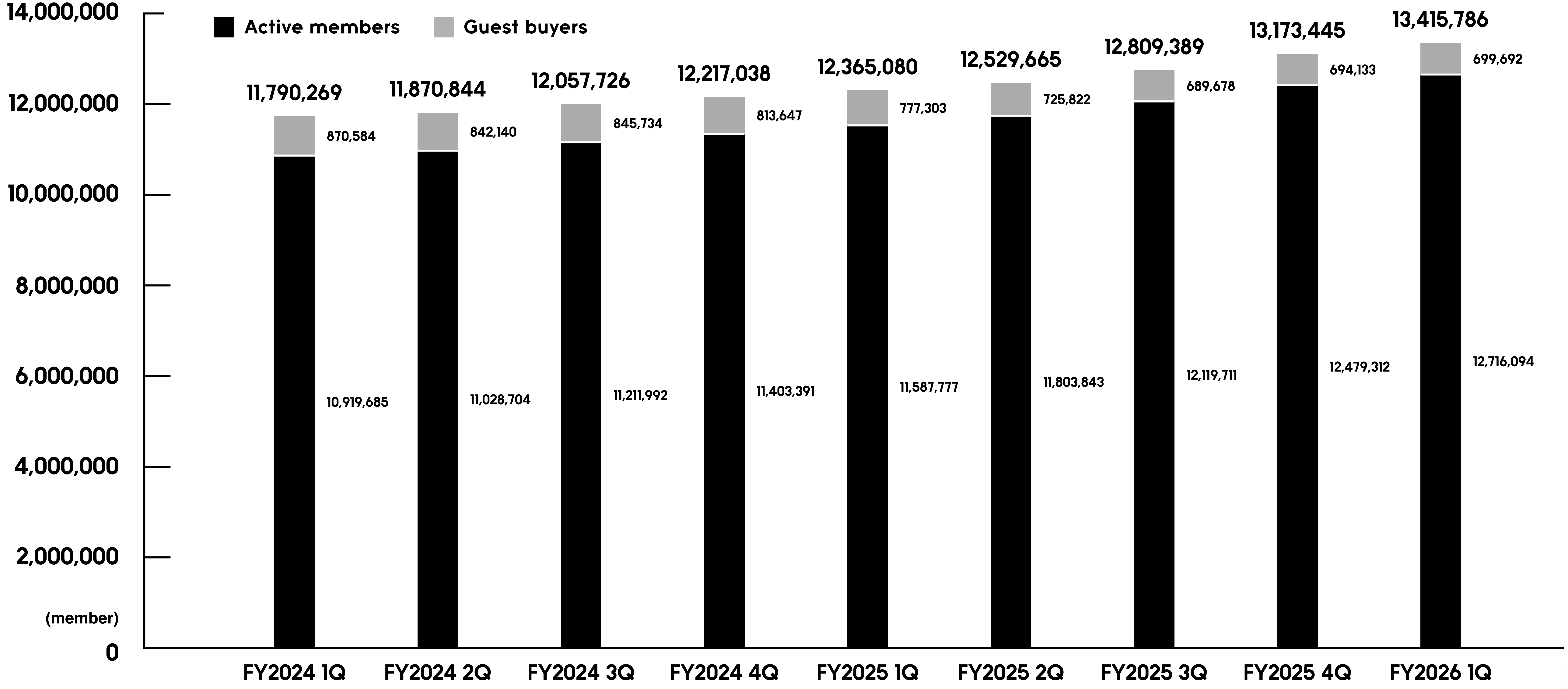
* The actual promotion-related expenses ratio is calculated by dividing the actual promotion-related expenses by the Gross Merchandise Value (excluding other GMV)

# NUMBER OF TOTAL BUYERS

Number of total buyers = Active members and guest buyers who made at least one purchase within a year

Guest buyers = Total number of guest purchases within a year

Active members = Members who have made at least one purchase within a year



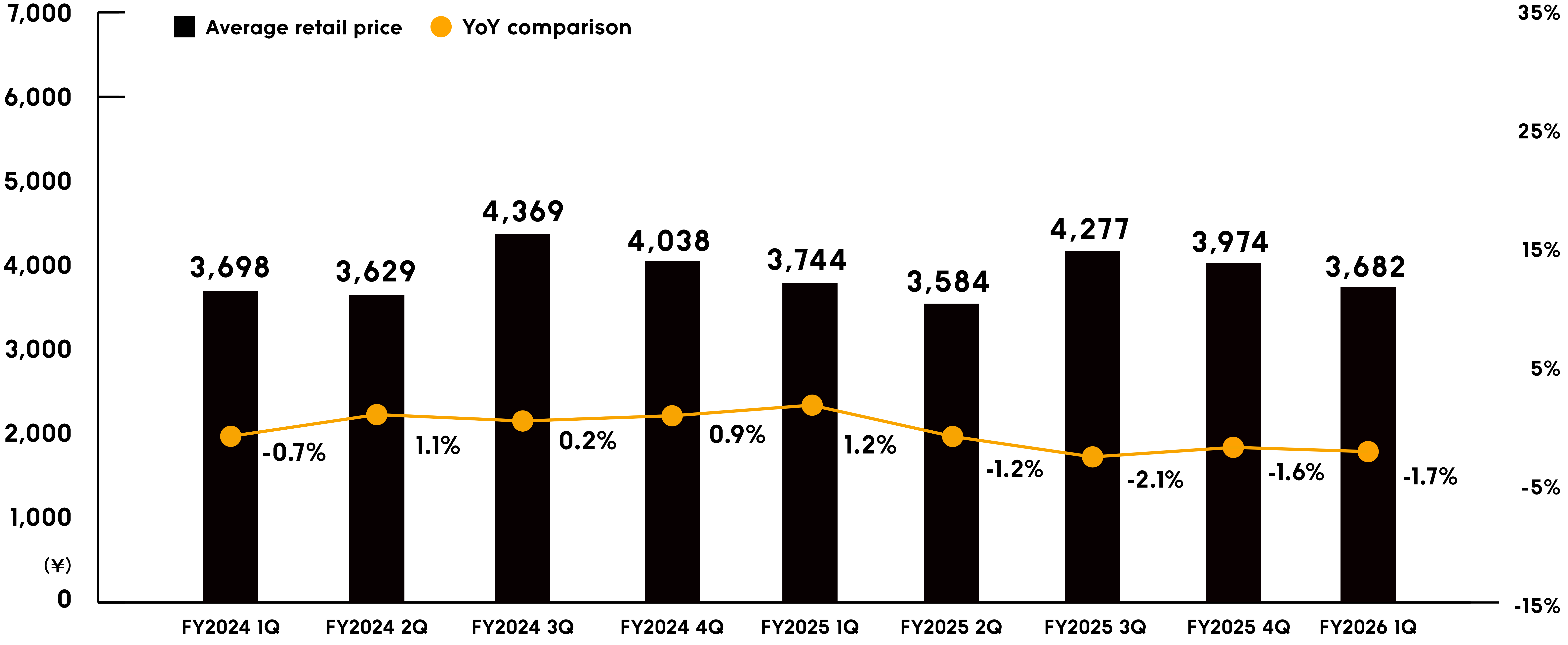

* The results are only from the ZOZOTOWN business. LY Corporation Commerce, LYST and BtoB Business are not included.
* Excluding the users who only purchased the body measurement device “ZOZOSUIT” “ZOZOMAT” and “ZOZOGLASS”.

POINT 04

The acquisition of new members through web advertising and initiatives within ZOZOTOWN progressed steadily. Increased investment in web advertising compared with the same period of the previous fiscal year and strengthened traffic acquisition efforts contributed to the growth in new members.

# AVERAGE RETAIL PRICE

Average retail price
= Gross Merchandise Value of the ZOZOTOWN Business / Number of pieces shipped

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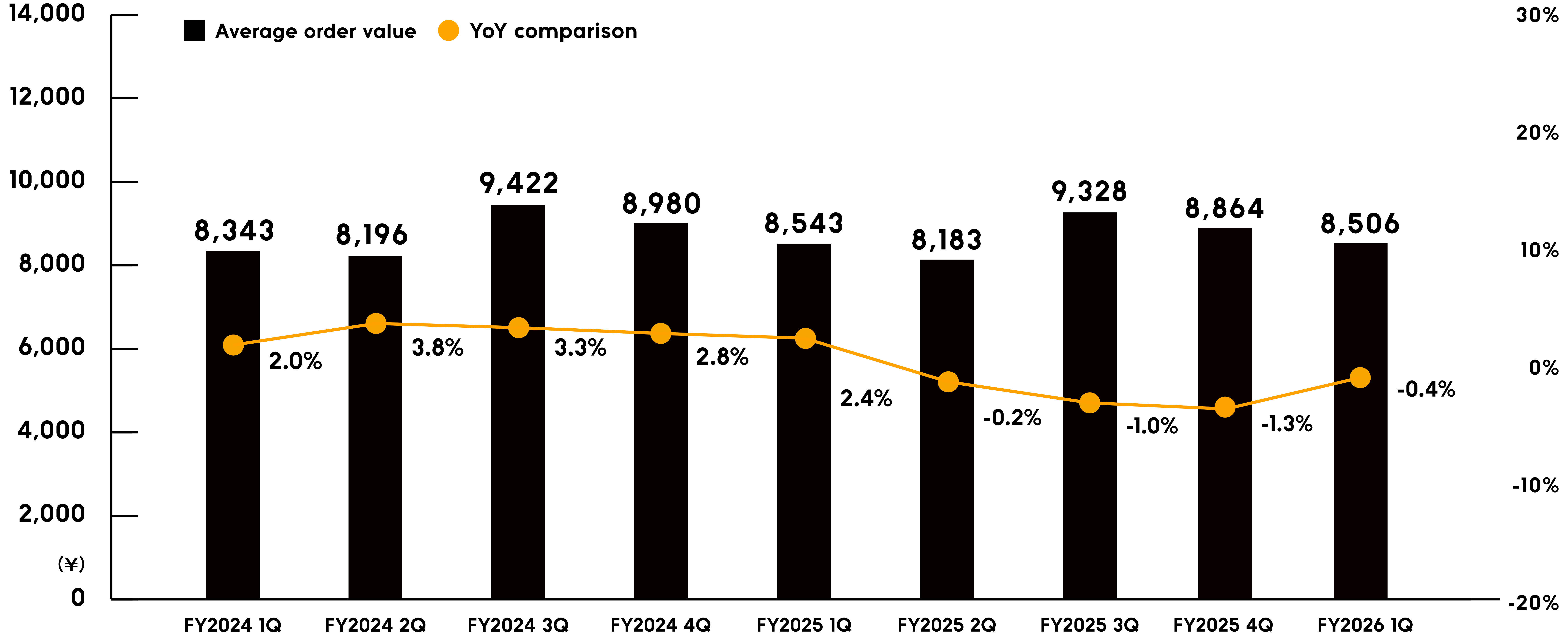
* Excluding the users who only purchased the body measurement device “ZOZOSUIT” “ZOZOMAT” and “ZOZOGLASS”.

POINT 05

While price levels on a list-price basis remained generally in line with the same period of the previous fiscal year, the average retail price declined due to increases in the proportion of sale items and the average discount rate.

# AVERAGE ORDER VALUE

Average order value
= Gross Merchandise Value of the ZOZOTOWN Business / Number of shipments




* The results are only from the ZOZOTOWN business. LY Corporation Commerce, LYST and BtoB Business are not included.
* Excluding the users who only purchased the body measurement device “ZOZOSUIT” “ZOZOMAT” and “ZOZOGLASS”.

POINT 06

The number of items per order increased due to more frequent free-shipping measures than in the same period of the previous fiscal year, as well as a higher attach rate resulting from an increase in the proportion of sale items. However, the impact of the decline in the average retail price outweighed the increase in the number of items per order, resulting in a decrease in the average order value.

# CONSOLIDATED EARNINGS FORECAST AND DIVIDEND FORECAST FOR FY2026

○ Gross Merchandise Value (excluding Other GMV) is expected to increase by 5.0% YoY, and Adjusted EBITA by 7.2% YoY.
○ HIGH LINK, INC. has been consolidated since May 2026, and the impact of the consolidation has already been incorporated into this plan.
○ HIGH LINK, INC.' s Gross Merchandise Value and net sales are recorded under the "Others" segment.
○ For the fiscal year ending March 31, 2027, disclosure of Gross Merchandise Value (excluding Other GMV) will be continued.
*This is due to the continued impact of the inclusion of GMV from ZOZO option contract stores on Yahoo! JAPAN Shopping through the end of September 2025.
○ From the fiscal year ending March 31, 2028 onward, disclosure of Gross Merchandise Value (excluding Other GMV) is scheduled to be discontinued.

| | Target | YoY |
|---|---|---|
| Gross Merchandise Value | 679.6 billion yen | 2.0% |
| Gross Merchandise Value (excluding other GMV) | 678.6 billion yen | 5.0% |
| Net sales | 241.9 billion yen | 5.9% |
| Operating profit | 74.4 billion yen | 7.3% |
| Operating Profit Margin (% of the Gross Merchandise Value) | 11.0 % | - |
| Adjusted EBITA | 77.9 billion yen | 7.2% |
| Adjusted EBITA Margin (% of the Gross Merchandise Value) | 11.5 % | - |
| Ordinary profit | 74.4 billion yen | 7.4% |
| Profit attributable to owners of parent | 49.7 billion yen | 3.7% |
| Net profit per share | 56.20 yen | - |
| Estimated dividends per share (Plan) | 40.0 yen | - |

*Adjusted EBITA is calculated as operating profit + amortization of goodwill (including amortization of intangible assets recognized through purchase price allocation (PPA)) + M&A-related expenses (including advisory fees and due diligence costs).
*Operating profit margin and Adjusted EBITA margin are calculated by dividing operating profit and Adjusted EBITA by the Gross Merchandise Value (excluding other GMV).

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