



## The 24<sup>th</sup> Ordinary General Meeting of Shareholders Question-and-Answer Guide

Date and time: Tuesday, June 28, 2022, at 1:00 p.m.

Venue: Tokyo Bay Makuhari Hall 2F, APA Hotels & Resorts Tokyo Bay Makuhari

1.

Q (shareholder)	I have a question about the staff's shirts for the general meeting of shareholders this time. I would like to know with what policy these shirts were prepared and how the staff were instructed to wear them.
A (chairperson)	<p>We regard the general meeting of shareholders as a major event once a year where all staff work together to explain to shareholders with various opinions from them. Therefore, to prioritize a sense of unity among the staff, we made it a rule to wear identical clothes at the annual general meeting for the past several years.</p> <p>Meanwhile, as you know, our staff members love fashion. They enjoy wearing a variety of fashions as they like, praising and laughing at each other's fashions every day. Such circumstances are, we feel, favorable in the sense that we create opportunities to pursue ways to look great. Our staff are regularly dressed in different variations in a unique way, but on a special occasion like this, we wear identical clothes.</p> <p>Speaking of the concept for this time, as you may have seen a printing on the back of the T-shirt, the motif is world peace. World peace is a cloudy, vague concept. However, we want to achieve it and represent such a desire with the printed illustration.</p>

2.

Q (shareholder)	What is the status of the synergies as the Z Holdings Group? Would it not be better to provide a digital environment in which people can enjoy fashion as the result of those synergies?
A (chairperson)	<p>In terms of the synergies with the Z Holdings Group, two years have passed since we started our first-step initiatives in PayPay Mall, and they are steadily growing. We are also working on various other initiatives, some of which are not yet visible. As visible initiatives, we can introduce the synergy with LINE GIFT, which is the first step in cooperation with LINE Corporation. We managed to incorporate ZOZOTOWN's products into the LINE GIFT services where friends can easily offer gifts to each other. We, however, do not intend to stay there. We, ZOZO, intend to make full use of a large-scale customer base that each company of the Z Holdings Group possesses.</p> <p>Regarding the second question about providing a place to enjoy fashion, as I mentioned at the beginning of this session, our passion is concentrated in looking great. I suppose that looking great often means either you get excited because you look great, or someone thinks you look great and that also makes that person feel good. We will achieve this through digitalization. We believe that it is the first step for us in moving away from being a company that simply sells clothes. Thus, we are moving forward in your suggested direction. Accordingly, we will make efforts from now on so that we can clearly explain the actual launch of our new services at a general meeting of shareholders. Thank you for your continued support.</p>



3.

Q (shareholder)	I would like you to produce exclusive items to buy at ZOZO.
A (chairperson)	We tried to sell private brand products in the past. However, we believe that the quickest way to sell limited-edition items is to sell the items we manufacture ourselves. Therefore, we are working enthusiastically to produce original items that only we can manufacture by utilizing the production base we secured in China for production support. In the future, we intend to increase the number of products with the quality we can be proud of while taking into consideration our balance as a retailer.

4.

Q (shareholder)	I would like you to consider providing services related to outfits for men by using a communication tool of the Z Holdings Group.
A (chairperson)	Approximately 30% of our customer segment is men. Meanwhile, recently, the word of genderless has been heard frequently. There are a lot of products launched that do not have consideration for such a boundary between men and women. Such a situation makes us think about gender a lot. In terms of the market, the age range of the Z Holdings Group's customers is slightly older, and the proportion of men as its customers is higher compared to our customers from which we guess there are a certain number of people who do not know how to dress up among Z Holdings Group's customers. Their tastes and preferences are different from the customers we have been targeting. Therefore, we think we need a different approach for them. Because we are trying out various ways to see what approach should be the best for those target customers, we will continue to consider the procedures while regarding those customers as a market.