



April 9, 2025

Dear All,

Notice Regarding the Acquisition of Shares in LYST LTD and Its Conversion into a Subsidiary

ZOZO, Inc. (hereinafter referred to as the "Company") announces that, at the Board Meeting held on April 9, 2025, the Company resolved to acquire all shares of LYST LTD (hereinafter referred to as "Lyst") through a subsidiary to be established in the United Kingdom, thereby make it a wholly owned subsidiary (hereinafter referred to as "this transaction"). Details are as follows.

1. Purpose, reason, and method of share acquisition

Our group operates under the corporate philosophy of "Inspire the world. Deliver joy every day." To drive sustainable growth, we have been expanding into international markets. While we have focused on market expansion through licensing our in-house technology and partnerships with local companies to date, we have decided to take a bold step forward by acquiring Lyst to accelerate our growth in the global market. This acquisition is the cornerstone of our international expansion strategy.

Lyst is a leading global fashion shopping platform featuring over 27,000 brands and more than 97 million SKUs. The company has built an asset-light business model, connecting millions of shoppers with partner brands and retailers, primarily in the luxury segment. Lyst curates inventory from its partner brands using AI-driven recommendations from one of fashion's largest data sets to help shoppers discover and purchase products in a way that is easy, entertaining, and deeply personal.

With this transaction, we aim to leverage the e-commerce expertise we have developed over the years to accelerate the development of Lyst's cutting-edge AI-driven discovery experience. Our shared vision is to provide consumers worldwide with better fashion choices, inspire individual style discovery, and transform fashion into a more liberated and creative experience. Ultimately, this move aligns with our mission to "Inspire the world. Deliver joy every day."

The Company plans to acquire all shares of Lyst through a subsidiary to be established in the United Kingdom for the purpose of this transaction.

2. Outline of the subsidiary to be transferred

(1)	Name	LYST LTD
(2)	Location	Floor 7 The Minster Building, 21 Mincing Lane, London EC3R 7AG, United Kingdom
(3)	Title and name of representative	CEO Emma McFerran

(4)	Business description	Online fashion platform business		
(5)	Capital stock	519 £		
(6)	Date of establishment	January 21, 2010		
(7)	Major shareholders and shareholding ratio	Molten Ventures 13.9% 14W Ventures 10.5% Balderton Capital 10.2% Financière Agache and affiliates 9.4% Accel 8.2% (Note) Fully diluted number of shares (including options)		
(8)	Relationship between the listed company and the target company	Capital relationships	There are no capital relationships to be noted.	
		Personnel relationships	There are no personnel relationships to be noted.	
		Business relationships	There are no business relationships to be noted.	
(9)	Consolidated business performance and consolidated financial position of the company for the past three years			
Fiscal Year-end		Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2024
Consolidated net assets		27 million £	4 million £	4 million £
Consolidated total assets		41 million £	25 million £	22 million £
Consolidated net assets per share		0.53 £	0.08 £	0.08 £
Consolidated net sales		42 million £	50 million £	50 million £
Consolidated operating profit		-27 million £	-18 million £	0.4 million £
Consolidated net profit attributable to owners of parent		-28 million £	-24 million £	-1 million £
Consolidated net profit per share		-0.55 £	-0.46 £	-0.01 £
Dividend per share		-	-	-

3. Outline of the counterparty of the share acquisition

The counterparties in this transaction consist of investment funds and other entities, as described in Section 2. Outline of the subsidiary to be transferred, (7) Major shareholders and shareholding ratio. However, further details are not disclosed at the request of the selling shareholders. There are no special relationships, such as capital, personnel, or business relationships, between the Company and the selling shareholders. The shares to be acquired in this transaction represent 100% of the issued shares of Lyst, comprising all equity interests held by the selling shareholders.

4. Number of shares acquired, acquisition price, and status of shares held before and after acquisition

(1) Number of shares held before the change	0 shares (Number of voting rights: 0) (Percentage of voting rights held: 0.0%)
(2) Number of shares acquired	58,675,198 shares (Number of voting rights: 58,675,198) (Note) The number of shares and voting rights stated above reflects the figures as of the execution date of the share transfer agreement and is subject to change by the time the share transfer is completed.
(3) Acquisition price	Shares of LYST LTD: USD 154 million (approx. JPY 23.1 billion) Advisory and other transaction fees (estimated): approx. JPY 1.2 billion Total (estimated): approx. JPY 24.3 billion (Note) Calculated using an exchange rate of 1 USD = 150 JPY.
(4) Number of shares held after the change	58,675,198 shares (Number of voting rights: 58,675,198) (Ownership percentage of voting rights: 100.0%) (Note) The number of shares and voting rights stated above reflects the figures as of the execution date of the share transfer agreement and is subject to change by the time the share transfer is completed.

5. Schedule

(1) Date of the resolution by the Board of Directors	April 9, 2025
(2) Date of execution of the agreement	April 9, 2025
(3) Closing date of the share transfer	Scheduled for April 30, 2025

(Note) This transaction is scheduled to be executed once the conditions precedent to the share transfer have been satisfied.

6. Future outlook

As a result of this transaction, Lyst will become a consolidated subsidiary of the Company, which we believe will contribute to enhancing the corporate value of our group.

Regarding the impact of this transaction on our consolidated financial results for the fiscal year ending March 2026, we are currently conducting a thorough review. If any matters requiring disclosure arise in the future, we will promptly make an announcement.



LYST

Announcement Regarding the Acquisition of Shares in LYST LTD

April 9, 2025



Agenda

- 1. ZOZO's Global Strategy**
- 2. Overview of LYST**
- 3. The Future Created by Both Companies**
- 4. Transaction Structure**



ZOZO's Corporate Philosophy

**Inspire the world.
Deliver joy every day.**

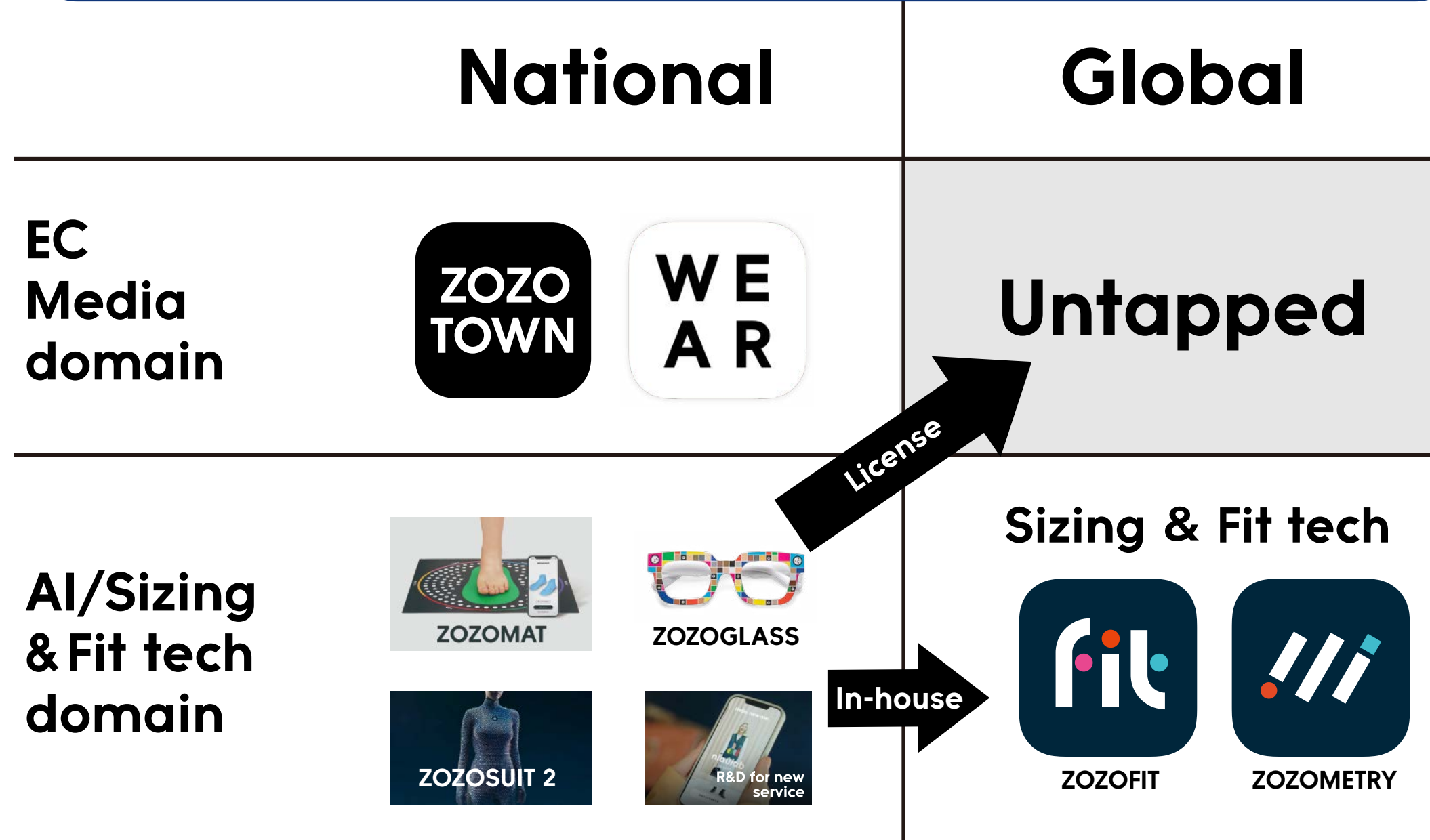




The Evolution of ZOZO's Overseas Strategy

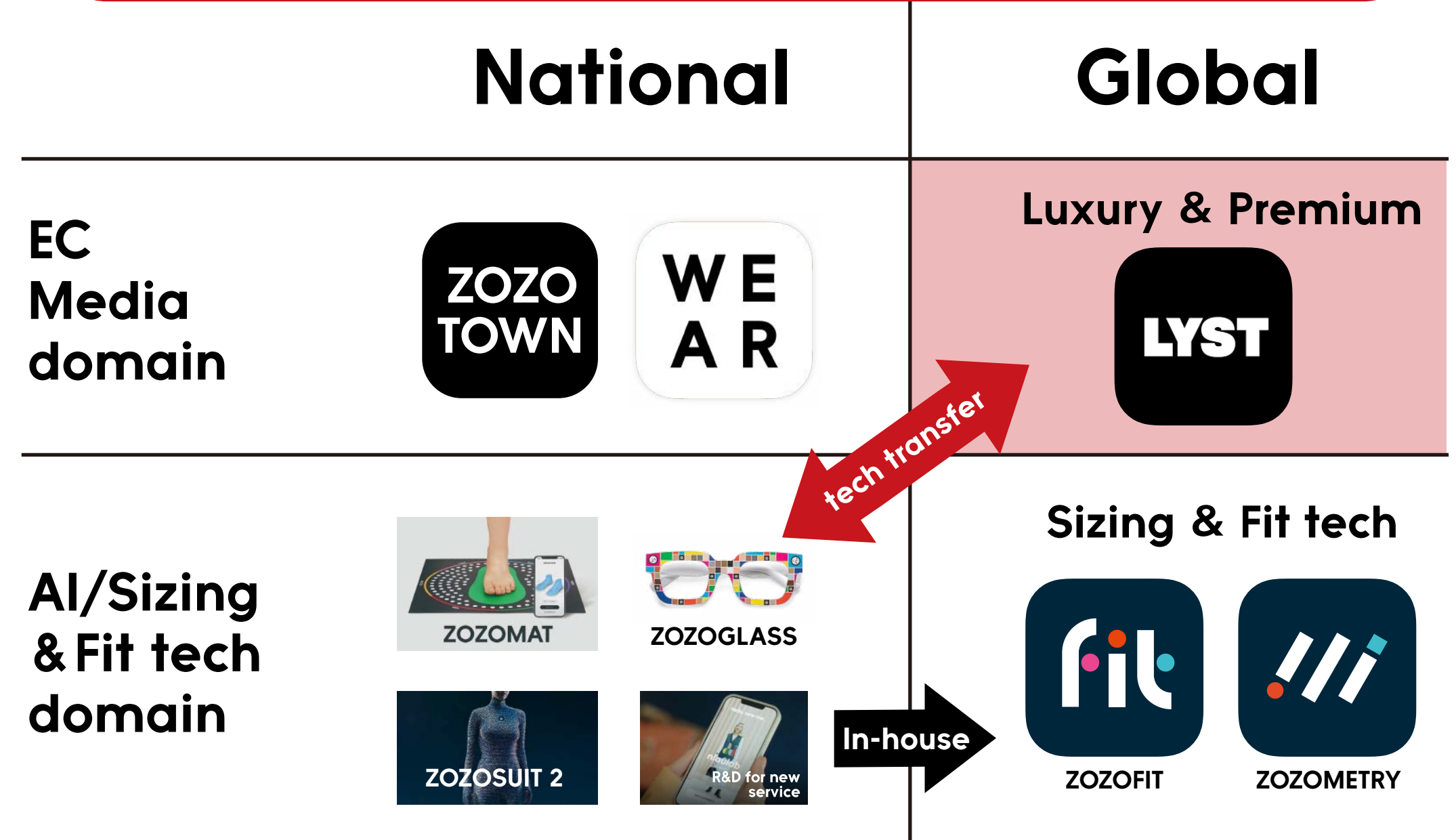
We have pursued a dual-track approach based on technology assets cultivated in Japan: licensing to overseas platforms and in-house business development. Going forward, by welcoming LYST — a company that shares our vision — into our group, we will enter the e-commerce and media domains, further deepening and accelerating ZOZO's global expansion.

Our approach to date



In parallel with expanding Fashion Tech overseas through in-house development, we have also been exploring licensing sales.

Moving forward

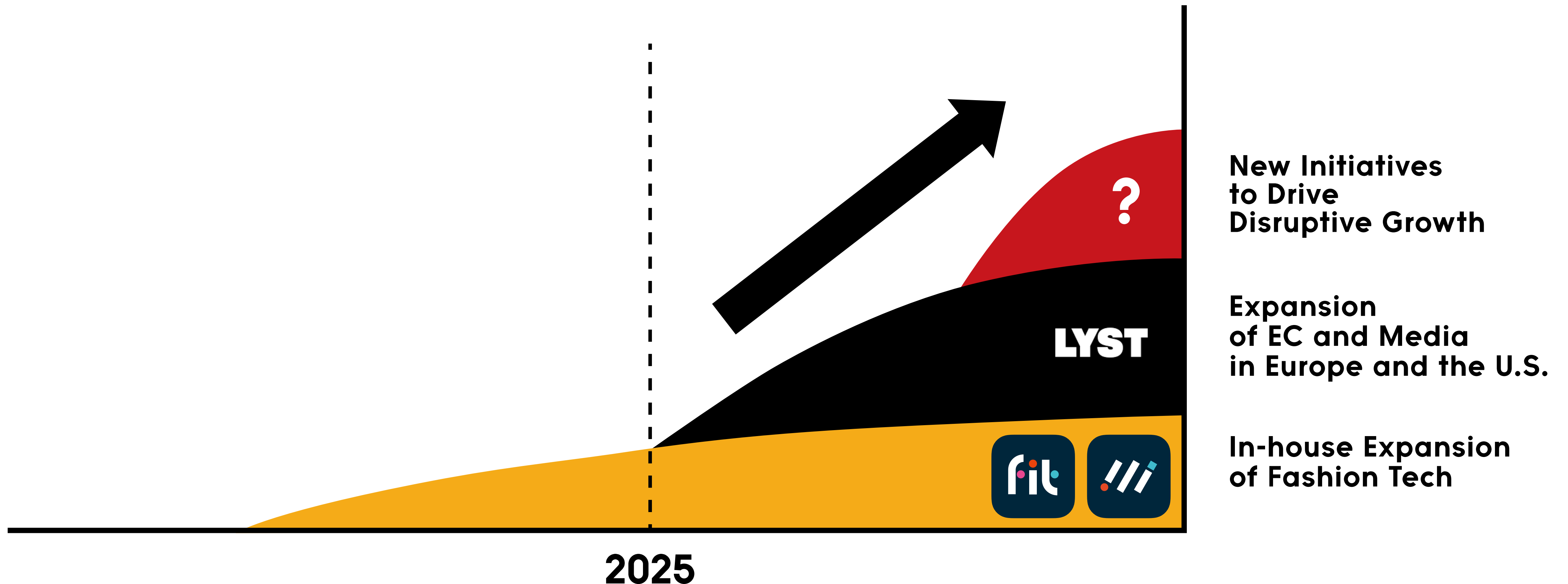


We will establish a business foundation in Europe and the U.S. with LYST at the core while providing ZOZO's technical expertise to the company to drive further growth.



Overseas Growth Vision

With LYST now serving as the cornerstone of ZOZO's global expansion, we're committed to driving bold, non-linear growth through new business ventures and strategic M&A.



LYST, A Leading Global Fashion Shopping Platform

A fashion-focused global platform based in the UK, connecting the world's best brands with millions of shoppers in the US, UK and European markets.

Corporate Overview

Name	LYST LTD	Address	Floor 7, The Minster Building 21 Mincing Lane London
Core business	Fashion Affiliate	Foundation	2010
CEO	Emma McFerran	Employee	129 as of 31 March 2025

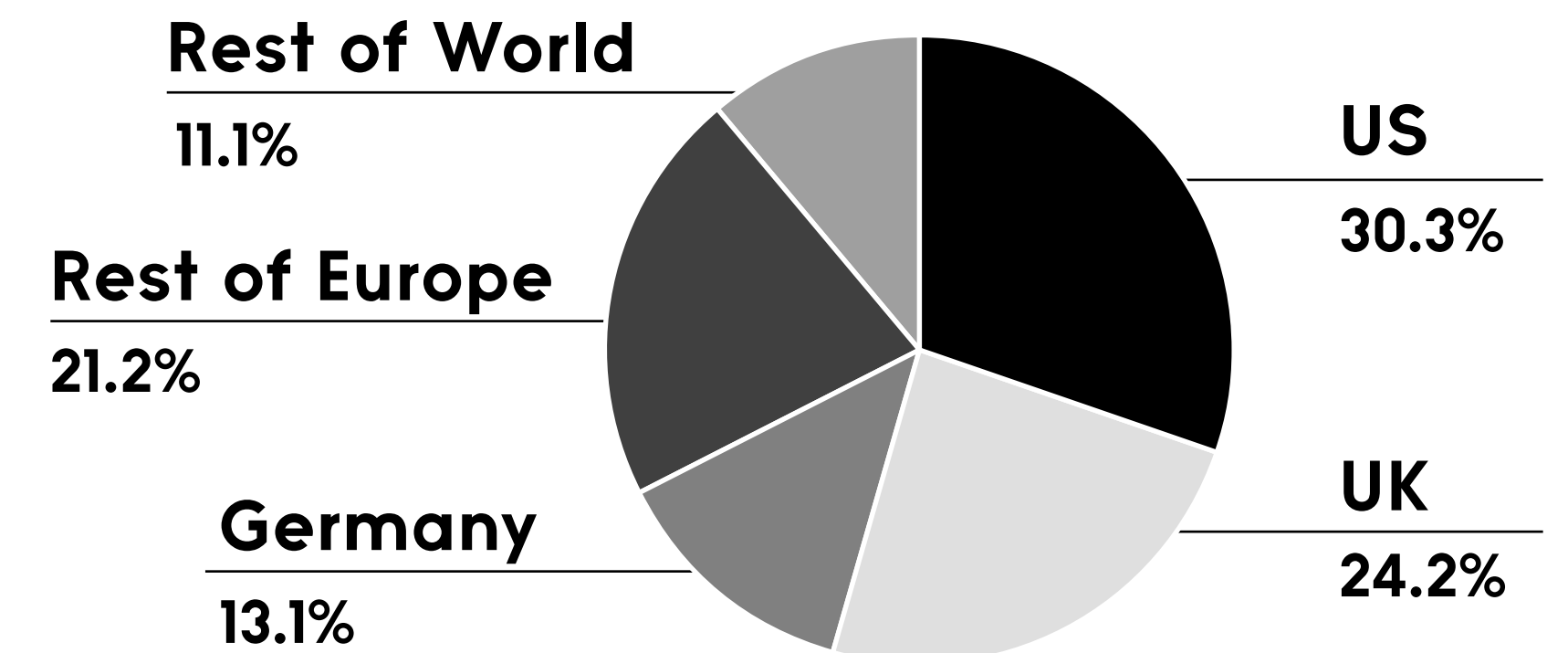
Financials FY2023

Revenue	50,146 £
Operating Profit	444 £
Net Asset	4,094 £
Total Asset	22,459 £

Mission & Vision

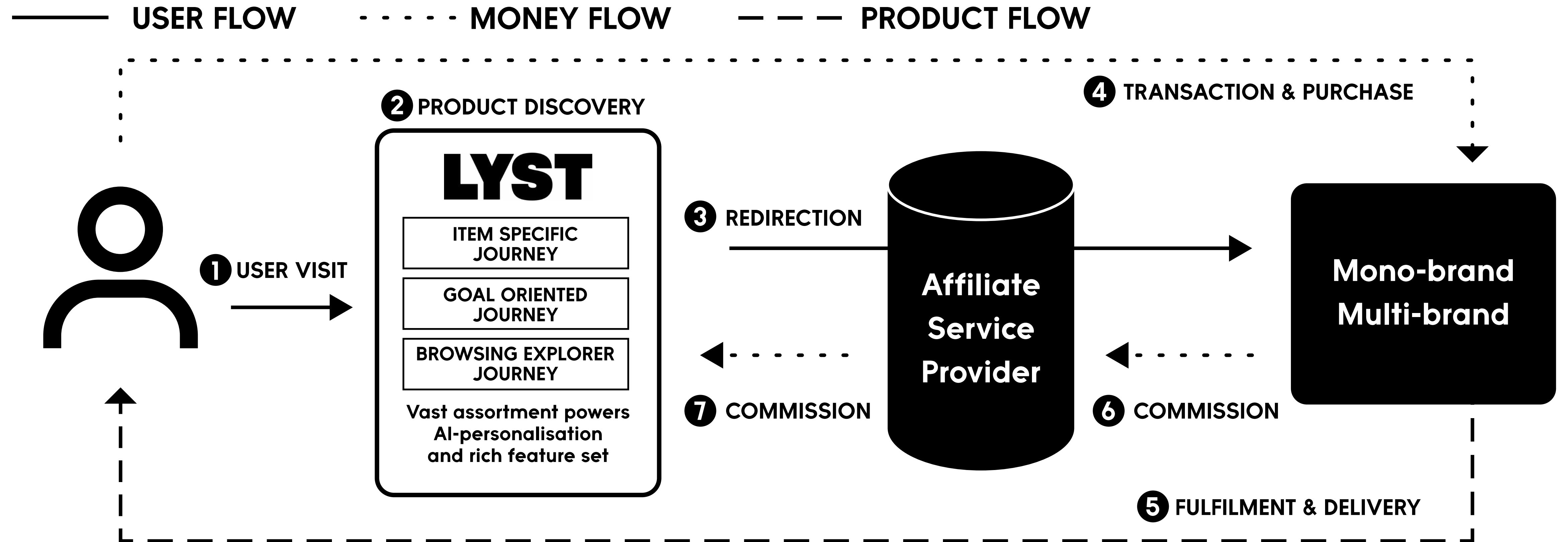
Help shoppers make better choices and help partners find better audiences, creating a better & brighter future for fashion

Core Region Based on GMV



LYST: An Asset-light Model

LYST is the inventory-free fashion shopping platform that connects global shoppers with the world's leading brands. LYST curates inventory from 27,000+ brands, using AI-driven recommendations to match customers with the right products. Our business model is performance-based, generating revenue through a commission on the orders our drive for our partners.



LYST's Core Metrics

By partnering with the world's leading brands and retailers, LYST offers unparalleled breadth and depth in fashion, making it the go-to destination for millions of shoppers.

FY23's data

Partners

550+

Brands

27,000+

Unique SKUs

97M

Annual Unique Shoppers

157M

Annual Active Buyers

2.2M


AOV

420\$

※Average Order Value of Top 10 Partners


ZOZO & LYST: Combined Strengths to Drive Growth

LYST and ZOZO are both tech-driven, brand-led e-commerce and media platforms that operate without holding inventory.

LYST			
1	Largest Assortment	<ul style="list-style-type: none"> • A vast product catalog covering 27,000 brands across luxury, premium, and contemporary fashion. • Adaptive platform responding to consumer and industry trends, powered by the largest data-set in fashion. 	Japan's Largest Brand Lineup
2	Strong Fashion Industry Credibility	<ul style="list-style-type: none"> • Trusted by partners, who retain pricing control and brand integrity, with dedicated support to drive performance and growth. • The LYST Index, a quarterly ranking of fashion's hottest brands and products powered by data, holds significant influence in the fashion industry. 	Brand-Led Consignment Sales Model
3	Technology at the Core	<ul style="list-style-type: none"> • Technology, data, and AI are in LYST's DNA—powering the product, operations, and the culture of the business. • Bringing together top-notch engineers to solve fashion's challenges through technology. 	Tech-Driven with Data & AI

Expected Synergies

The geographic coverage and technological foundations of both companies form an ideal complementary relationship, creating broad synergies in sales, technology, and scale advantages.

	 ZOZO	LYST
Geography and Price-point	Japan Contemporary	US, UK & Europe Luxury & Premium
Technology & Expertise	AI Sizing & Fit	SEO & AI Personalisation
Scale Advantages	Shared System Infrastructure & Integrated Administrative Operations	

Win-Win-Win Fashion Experience

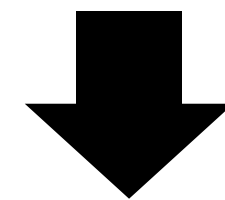
ZOZO, together with LYST, aims to redefine the ideal way to enjoy fashion and build a sustainable future where both consumers and the industry can thrive together.

The State of Global Fashion E-Commerce

The Future we aim

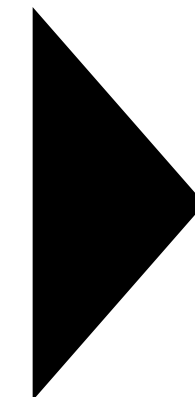
Challenges Facing the Industry

Intense Price Competition	Shipping Incentive Competition	Competition in Easing Return Policies
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Impact on the Industry

EC Deterioration of Profitability	Brands Erosion of Brand Value
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Through the pursuit of technology and UX, we aim to evolve into a new phase where we redefine and enhance the joy and excitement of fashion.

Transaction Structure

Method of Share Acquisition	Acquisition of all outstanding shares of LYST for USD 154 million through a newly established subsidiary.
Funding Method	The full amount is scheduled to be funded from our existing cash and cash equivalents.
Schedule	Closing is expected between mid and late April 2025, subject to the receipt of necessary approvals and the satisfaction of closing conditions.
Impact on Financial Results	The impact on consolidated financial results for the fiscal year ending March 2026 is currently under review.



LYST