



June 26, 2024

Dear All,

Notice concerning controlling shareholders, etc.

ZOZO, Inc. (hereinafter referred to as the “Company”) hereby announces the following notice concerning controlling shareholders, etc., of its parent company, LY Corporation.

1. Trade names, etc., of the parent company, controlling shareholders (excluding the parent company) and other associated companies and its parent companies

(As of March 31, 2024)

Name	Relationship	Percentage of voting rights (%)			Financial instruments exchanges, etc., where issued share certificates are listed
		Direct ownership	Indirect ownership	Total	
SoftBank Group Corp.	Parent company	0.0	51.5	51.5	Tokyo Stock Exchange, Inc., Prime market
SoftBank Group Japan Corporation	Parent company	0.0	51.5	51.5	—
SoftBank Corp.	Parent company	0.0	51.5	51.5	Tokyo Stock Exchange, Inc., Prime market
A Holdings Corporation	Parent company	0.0	51.5	51.5	—
LY Corporation	Parent company	0.0	51.5	51.5	Tokyo Stock Exchange, Inc., Prime market
Z Intermediate Holdings Corporation	Parent company	51.5	0.00	51.5	—

2. Name of the company having the most significant influence on the listed company from among parent companies and its reason

Name: LY Corporation

Reason: Two directors are dispatched to the Company, and that has a significant influence on its decision-making.

3. Positioning of the listed company within the corporate group of the parent company, etc., and other relationships with the parent company, etc.

(1) Relationship with the parent company

LY Corporation is a parent company of Z Intermediate Holdings Corporation, which directly owns 51.5% of the Company’s voting rights. Between LY Corporation, the Company engages in transactions such as attracting users by guiding users, opening ZOZOTOWN on Yahoo! JAPAN Shopping, and implementing the smartphone payment service PayPay on ZOZOTOWN, etc.

(2) Ensuring independence from parent companies, etc.

The Company called on two persons as Directors from LY Corporation and is receiving advice and recommendations from them for business operations based on their rich experience and broad knowledge cultivated in the internet service industry. Regarding ensuring independence from parent companies, the following is clearly stated: a) the Company is able to make management decisions without operational restrictions from the parent company, b) the parent company respects management decisions of the Company on matters relating to employment, human resources and working conditions, c) Directors from the parent company shall not participate in the resolutions of special interests at the Board of Directors, etc. Through these restrictions and regulations, the Company believes that independence from parent companies is ensured to a certain extent.

(Status of concurrent posts)

(As of June 26, 2024)

Post	Name	Posts in other related companies or group companies	Reason for appointment
Director	Makoto Hide	Chairman of the Board, Ikyu Corporation, Executive Corporate Officer, Commerce Company CEO, LY Corporation	Having extensive experiences and a broad perspective cultivated in the business strategy of the internet service industry and the management in the parent company group, the Company appointed him as a Director to utilize his experiences and knowledge in the management of the company group
Director	Yuko Nagata	EVP, Corporate Officer, General Manager of Marketing Division, LY Corporation	Having extensive experiences and a broad perspective cultivated in the internet service industry and cosmetics industry, the Company appointed her as a Director to utilize her experiences and knowledge in the management of the company group

4. Matters concerning transactions with controlling shareholders etc.

(As of March 31, 2024)

Type	Name of the company or Individual	Location	Capital or investment (million yen)	Business or occupation	Ownership of voting rights held (Percentage of voting rights held (%))	Relationship with related parties	Details of transactions	Transaction amount (Million yen)	Accounting items	Balance at the end of the term (Million yen)
Parent company	LY Corporation	Chiyoda-ku, Tokyo	248,144	-Advertising business on the internet -E-commerce business -Membership service business etc.	51.5	Acceptance of services	Utilization of payment agency service (Note)	—	Accounts receivable-trade	4,718
Subsidiary of parent company	SB Payment Service Corp.	Minato-ku, Tokyo	6,075	-Payment Service -Card & Point Service -Payment Collection Agency Service -Money Transfer Service etc	—	Acceptance of services	Utilization of payment agency service (Note)	—	Accounts receivable-trade	27,492

(Note) Regarding transactions related to accounts receivable-trade, these are sales transactions with end users and not with the companies, therefore the amounts of transactions are not specified

5. Implementation of measures to protect minority shareholders in transactions etc., with controlling shareholders

We have established the "Guideline to ensure the fairness of transactions with the parent company group" as a guideline for measures to protect minority shareholders when conducting transactions with controlling shareholders, and we operate in accordance with these rules. In transactions with controlling shareholders, etc., we will comply with laws and regulations, and shall not conduct transactions under unfairly favorable or disadvantageous conditions compared with the same, or similar transactions conducted with third parties. We will reasonably determine the terms and conditions of contracts and market prices in the same manner as in transactions with other companies and will conduct transactions after thoroughly examining whether such transactions are permissible and their conditions, etc. so as not to unduly harm the rights of minority shareholders.

DISCLAIMER:

This document is summary translation of Japanese version. All readers are recommended to refer the original Japanese version for complete information. In the event of any discrepancy, errors and/or omissions, the Japanese version shall prevail.