



May 19, 2026

Dear All,

**Notice Concerning the Disposal of Treasury Shares
under the Restricted Stock Compensation Plan**

ZOZO, Inc. (hereinafter, referred to as the "Company") resolved at the Board Meeting held today, to dispose of treasury shares under the restricted stock compensation (hereinafter, referred to as the "Disposal"), as follows:

1. Outline of the Disposal

(1) Payment date	July 21, 2026
(2) Class and number of shares to be disposed	Shares of common stock of the Company 73,800 shares
(3) Disposal price	1,026 yen per share
(4) Total disposal amount	75,718,800 yen
(5) Planned allottees	Employees of the Company: 114 persons, 67,600 shares Directors of the Company's subsidiaries: 2 persons, 1,600 shares Employees of the Company's subsidiaries: 6 persons, 4,600 shares

2. Purpose and reason for the Disposal

The Company has introduced a stock compensation plan under which restricted stock is granted (hereinafter referred to as the "Compensation Plan") to the employees of the Company, with the aim of sharing both the benefits and risks of stock price fluctuations with shareholders and further enhancing their motivation to contribute to increases in the Company's share price and corporate value.

Today, the Board of Directors of the Company has resolved to allot 73,800 shares of the Company's common stock as restricted stock compensation for the period from July 1, 2026 to June 30, 2028 to 114 employees of the Company, 2 directors of the Company's subsidiaries and 6 employees of the Company's subsidiaries (hereinafter referred to as the "Eligible Employees"), who are the planned allottees, by having the Eligible Employees contribute all monetary compensation claims to be granted to them in the aggregate amount of 75,718,800 yen in kind. The amount of monetary compensation claims to be granted to each Eligible Employee has been determined after comprehensively taking into account various factors, including each Eligible Employee's contribution to the Company and its subsidiaries (hereinafter referred to as the "Company Group"). In addition, the scale of dilution resulting from this Disposal is minor, representing 0.01% (rounded to the third decimal place) of the total number of issued shares, 892,032,372 shares, as of March 31, 2026 and is therefore considered reasonable in light of the purpose of the Compensation Plan.

Furthermore, the monetary compensation claims will be granted on the condition that each Eligible Employee enters into a restricted stock allotment agreement with the Company (hereinafter referred to as the "Allotment Agreement"), the principal terms of which are as outlined below.

3. Outline of the Allotment Agreement

(1) Transfer restriction period

From July 21, 2026 to July 20, 2028

During the transfer restriction period specified above (hereinafter referred to as the "Transfer Restriction Period"), the Eligible Employees shall not transfer, pledge, assign by way of security, make any inter vivos gift or testamentary disposition of, or otherwise dispose of the shares allotted to such Eligible Employees (hereinafter referred to as the "Allotted Shares") to any third party (hereinafter referred to as the "Transfer Restrictions").

(2) Acquisition of the allotted shares without consideration

If an Eligible Employee retires or resigns from any position as a Director, Executive Officer, or employee of the Company Group prior to the expiration of the Transfer Restriction Period, the Company shall, unless the Board of Directors of the Company determines that there are justifiable reasons, automatically acquire the Allotted Shares without consideration as of the time of such retirement or resignation.

In addition, if, as of the time when the Transfer Restriction Period expires (hereinafter referred to as the "Expiration Time"), there remain any Allotted Shares for which the Transfer Restrictions have not been lifted in accordance with the provisions for the lifting of the Transfer Restrictions set forth in (3) below, the Company shall automatically acquire such shares without consideration immediately after the Expiration Time.

(3) Release of the Transfer Restrictions

The Company shall, on the condition that each Eligible Employee has continuously held any position as a Director, Executive Officer, or employee of the Company Group during the Transfer Restriction Period, lift the Transfer Restrictions on all of the Allotted Shares held by such Eligible Employee at that time as of the Expiration Time. However, if an Eligible Employee retires or resigns from any position as a Director, Executive Officer, or employee of the Company Group prior to the expiration of the Transfer Restriction Period for reasons deemed justifiable by the Board of Directors of the Company, the Company shall, immediately after such retirement or resignation, lift the Transfer Restrictions on the number of Allotted Shares held by such Eligible Employee at that time, multiplied by the ratio obtained by dividing the number of months from July 2026 to the month including the date of such retirement or resignation by 24 (provided, however, that if such ratio exceeds one, it shall be deemed to be one), with any fraction of less than one share rounded down.

(4) Provisions regarding the management of shares

Each Eligible Employee shall complete the opening of an account with SMBC Nikko Securities Inc., in which the Allotted Shares are to be recorded or registered, in accordance with the method designated by the Company, and shall keep and maintain the Allotted Shares in such account until the Transfer Restrictions are lifted.

(5) Provisions regarding organizational restructuring, etc.

If, during the Transfer Restriction Period, a merger agreement under which the Company is to be dissolved, a share exchange agreement or share transfer plan under which the Company becomes a wholly owned subsidiary, or any other proposal relating to organizational restructuring, etc. is approved at a General Meeting of Shareholders of the Company (or, if such approval at a General Meeting of Shareholders is not required, at a meeting of the Board of Directors of the Company), the Company shall, by resolution of the Board of Directors, lift the Transfer Restrictions on a portion of the Allotted Shares held by each Eligible Employee as of the date of such approval. The number of shares for which the Transfer Restrictions are to be lifted shall be determined by multiplying the number of Allotted Shares held by such Eligible Employee on the date of such approval by the ratio obtained by dividing the number of months from July 2026 to the month including the date of such approval by 24 (provided, however, that if such ratio exceeds one, it shall be deemed to be one), with any fraction of less than one share rounded down. Such Transfer Restrictions shall be lifted immediately prior to the business day preceding the effective date of such organizational restructuring, etc.

In such case, the Company shall automatically acquire without consideration, as of the business day preceding the effective date of such organizational restructuring, etc., all of the Allotted Shares for which the Transfer Restrictions have not been lifted as of such date in accordance with the above provisions.

4. Basis for determination of the payment amount and details thereof

The disposal price in the Disposal has been set at 1,026 yen, which is the closing price of the Company's common stock on the Tokyo Stock Exchange on May 18, 2026, the business day immediately preceding the date of the resolution of the Board of Directors, in order to eliminate arbitrariness in the pricing. This price represents the market price immediately prior to the Board resolution date and is considered to be reasonable and not particularly favorable.

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.