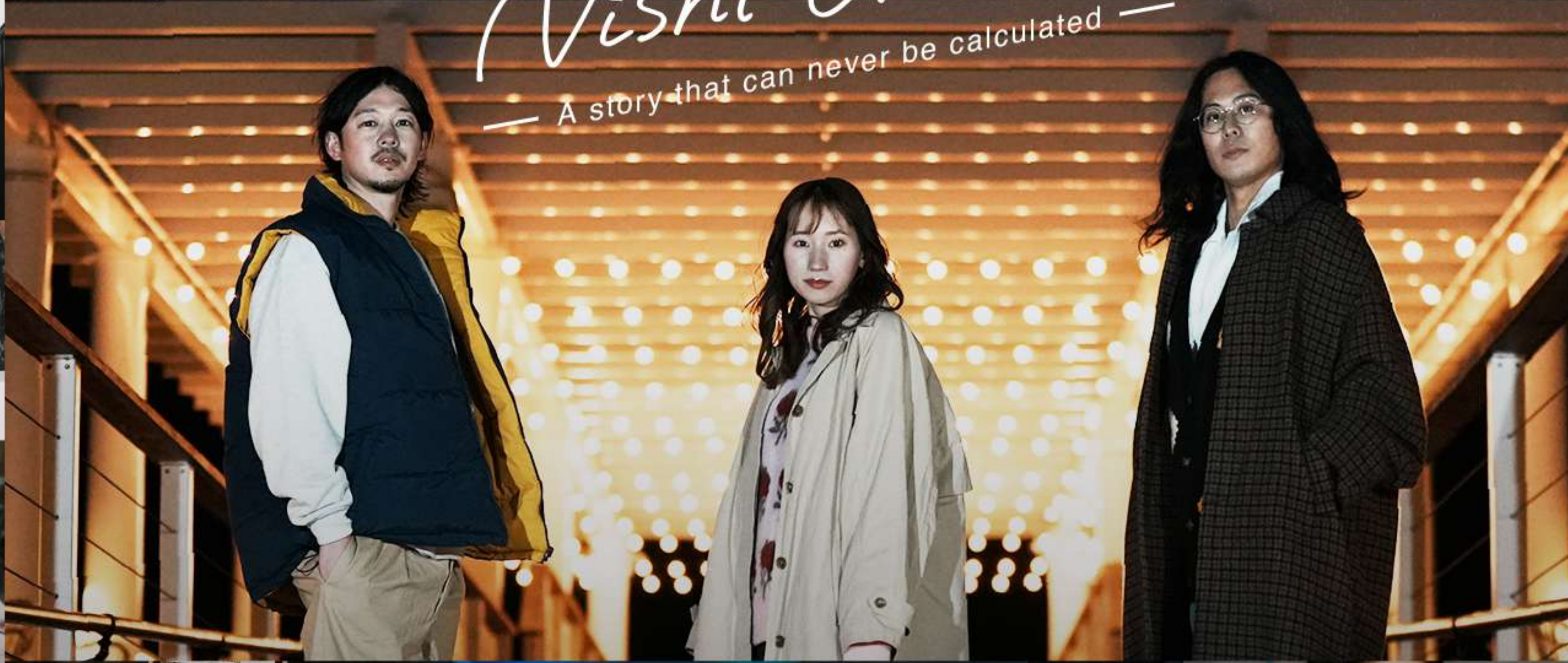




Romantic Nishi-Chiba

— A story that can never be calculated —



FY2022 3Q ZOZO, Inc. CONSOLIDATED BUSINESS RESULTS

*This is a work of fiction. It is not related to any real person or organization.
Masks are removed only during filming to prevent COVID-19 infection.

Financial results material drama

HIGHLIGHTS

FY20223Q ZOZO, Inc. CONSOLIDATED BUSINESS RESULTS



FY2022 3Q HIGHLIGHTS

The Company achieved a record high in both Gross Merchandise Value and operating profit, building on the strong performance seen in the first half of the fiscal year.

Overview

○ Gross Merchandise Value : 406,497 million yen (+8.3%,YoY)

○ Gross Merchandise Value (excluding other GMV) : 372,022 million yen (+8.9%,YoY)

The YoY growth of more than 10% has continued due to the ZOZOTOWN business exceeding its plan.

The measures to attract and promote customers have proven effective, resulting in the highest quarterly results of the year on a year-over-year basis.

○ Operating Profit : 44,635 million yen (+15.1%,YoY)

The YoY growth of more than 10% has continued.

Although the expenses for measures to attract and promote customers increased on a YoY basis, operating profit increased due to a rise in gross profit resulting from growth in the Gross Merchandise Value and cost reductions, especially variable costs.

Gross Merchandise Value

○ ZOZOTOWN BUSINESS

Gross Merchandise Value : 324,498 million yen (+12.1%,YoY)

Consignment sales : 309,188 million yen (+11.4%,YoY)

Outright Purchase / Production & Sales : 3,564 million yen (+65.9%,YoY)

USED sales : 11,746 million yen (+20.1%,YoY)

○ Yahoo! JAPAN Shopping* : 35,668 million yen (+13.0%,YoY)

○ BtoB Business : 11,855 million yen (-42.0%,YoY)

○ Others* : 34,475 million yen

○ Average Order Value : 8,961 yen (+4.3%,YoY)

○ Average Retail Price : 4,438 yen (+6.5%,YoY)

* PayPay Mall was integrated with Yahoo! JAPAN Shopping in October 2022.

* From the 2nd quarter of the fiscal year ended March 2021, GMV from the eCommerce website run by our consolidated subsidiary, "yutori, Inc.", stores contracting ZOZO option at Yahoo! JAPAN Shopping, ZOZOMO, and ZOZOSUIT (for paid sales) are recorded.

ZOZO Option: Option contracts which enables fashion category stores outside of ZOZOTOWN Yahoo! JAPAN Shopping, to participate in special events produced by ZOZO and get benefits from sales support.

ZOZOMO: The system which enables ZOZOTOWN users to place a layaway order of the merchandise at the physical stores.



FY2022 3Q HIGHLIGHTS



Profitability

- Operating profit margin* (to the total gross merchandise value) : 12.0% (11.4% for FY2021 3Q)
 - Factors improving profitability : An improvement of gross profit margin due to a higher proportion of businesses with high gross profit margins in the Gross Merchandise Value, a decline in logistics-related expenses ratio due to the improvement of operational efficiency in logistics bases, and a decline in shipping expenses ratio due to higher order value.
 - Factors worsening profitability : An increase in expenses to attract customers, measures such as the point promotion program.

*Operating profit margin is calculated by operating profit divided by the gross merchandise value (excluding other GMV).

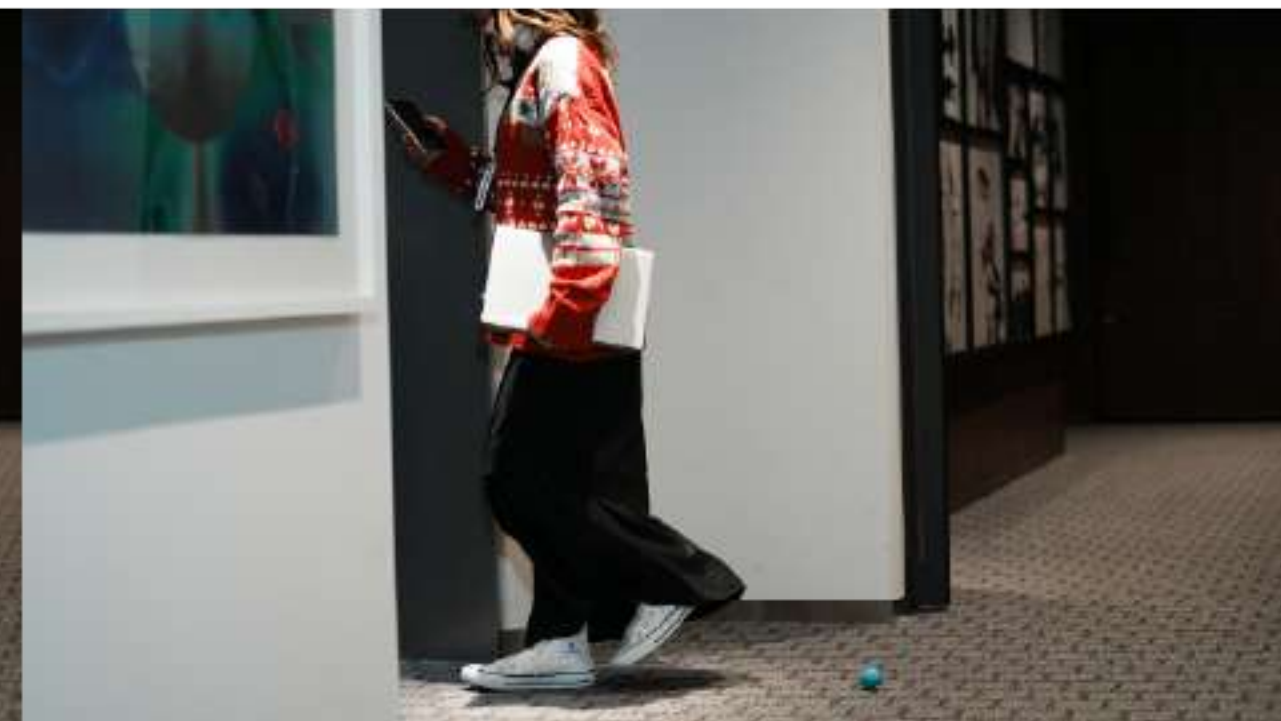
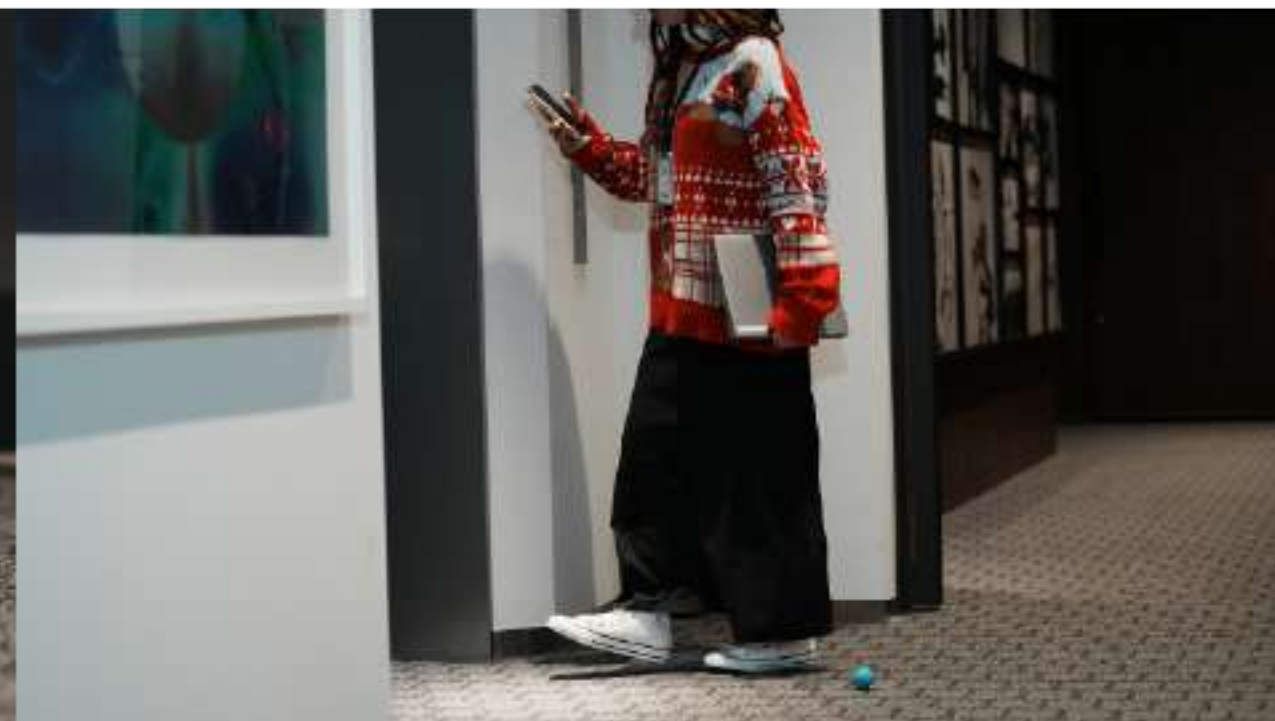
Topic

- The Company launched "elove by ZOZO", a new content platform on ZOZOTOWN that provides sustainable-related information on fashion. (November 2022)
- The Company received the highest rating of "Gold" in the "PRIDE Index 2022", which evaluates LGBTQ+ initiatives in the workplace, for the second consecutive year. (November 2022)
- The Company started "niaulab TV by ZOZO," a YouTube channel that shares videos on fashion styling. (November 2022)
- The Company opened its first physical store, "niaulab by ZOZO", offering an ultimate personalized-styling service for finding your "style" in Omotesando, Tokyo. Within the first three days, the store received over 20,000 applications. (December 2022)
- ZOZOCOSME' s "AR makeup" menu now supports the foundations. Users can use it in combination with ZOZOGLASS, which makes online cosmetics shopping more convenient. (December 2022)



BUSINESS RESULTS

FY2022 3Q ZOZO, Inc. CONSOLIDATED BUSINESS RESULTS



OVERVIEW OF THE FY2022 3Q

(million¥)

| | FY2021 3Q | FY2022 3Q | YoY | Revised Plan (As of Jan 31, 2023) | Achievement Rate(%) |
|--|-----------|-----------|-------|--------------------------------------|---------------------|
| Gross Merchandise Value | 375,506 | 406,497 | 8.3% | 543,800 | 74.8% |
| Gross Merchandise Value (excluding other GMV) | 341,587 | 372,022 | 8.9% | 495,800 | 75.0% |
| Net sales | 123,778 | 136,467 | 10.3% | 181,300 | 75.3% |
| Gross profit | 116,620 | 127,660 | 9.5% | - | - |
| (% to the Gross Merchandise Value) | 34.1% | 34.3% | 0.2% | - | - |
| SG&A | 77,841 | 83,024 | 6.7% | - | - |
| (% to the Gross Merchandise Value) | 22.8% | 22.3% | -0.5% | - | - |
| Operating profit | 38,779 | 44,635 | 15.1% | 55,000 | 81.2% |
| (% to the Gross Merchandise Value) | 11.4% | 12.0% | 0.6% | 11.1% | - |
| Ordinary profit | 38,756 | 44,872 | 15.8% | 55,200 | 81.3% |
| Profit attributable to owners of parent | 26,653 | 31,213 | 17.1% | 38,400 | 81.3% |

* % to the Gross Merchandise Value are represented in percentages after division by gross merchandise value (excluding other GMV).

* Effective from the fiscal year ended March 2022, we have adopted the new accounting standards for revenue recognition.

* Please note that the "Notice concerning revision of consolidated business forecast and year-end dividend" was released on January 31, 2023.

The figures mentioned above reflect these revisions.



* Our team of professional stylists will suggest outfits of the actual niaub.

OVERVIEW OF EACH QUARTER



(million¥)

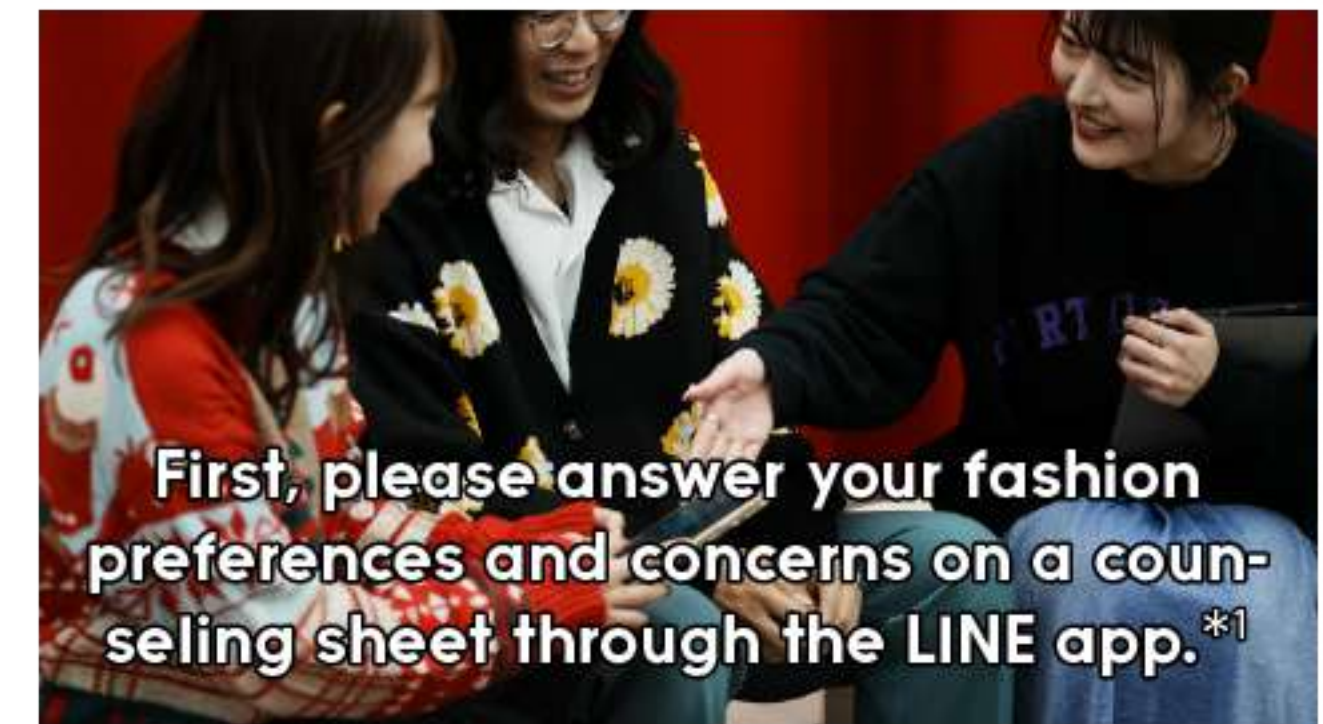
| | FY2021 | | | | FY2022 | | |
|--|---------|---------|---------|---------|---------|---------|---------|
| | 1Q | 2Q | 3Q | 4Q | 1Q | 2Q | 3Q |
| Gross Merchandise Value | 116,812 | 112,695 | 145,999 | 133,369 | 127,928 | 123,210 | 155,358 |
| Gross Merchandise Value (excluding other GMV) | 106,700 | 102,367 | 132,519 | 120,587 | 115,948 | 111,533 | 144,540 |
| YoY (%) | 11.9% | 13.5% | 15.0% | 12.7% | 8.7% | 9.0% | 9.1% |
| Net sales | 38,866 | 37,346 | 47,565 | 42,420 | 42,590 | 41,176 | 52,699 |
| SG&A | 24,333 | 23,851 | 29,656 | 28,675 | 26,028 | 25,667 | 31,328 |
| YoY (%) | 11.3% | 10.6% | 15.2% | 7.3% | 7.0% | 7.6% | 5.6% |
| (% to the Gross Merchandise Value) | 22.8% | 23.3% | 22.4% | 23.8% | 22.4% | 23.0% | 21.7% |
| Operating profit | 12,591 | 11,200 | 14,987 | 10,876 | 14,312 | 12,897 | 17,425 |
| YoY (%) | 20.8% | 18.1% | 8.0% | 5.0% | 13.7% | 15.2% | 16.3% |
| (% to the Gross Merchandise Value) | 11.8% | 10.9% | 11.3% | 9.0% | 12.3% | 11.6% | 12.1% |

* % to the Gross Merchandise Value are represented in percentages after division by gross merchandise value (excluding other GMV).

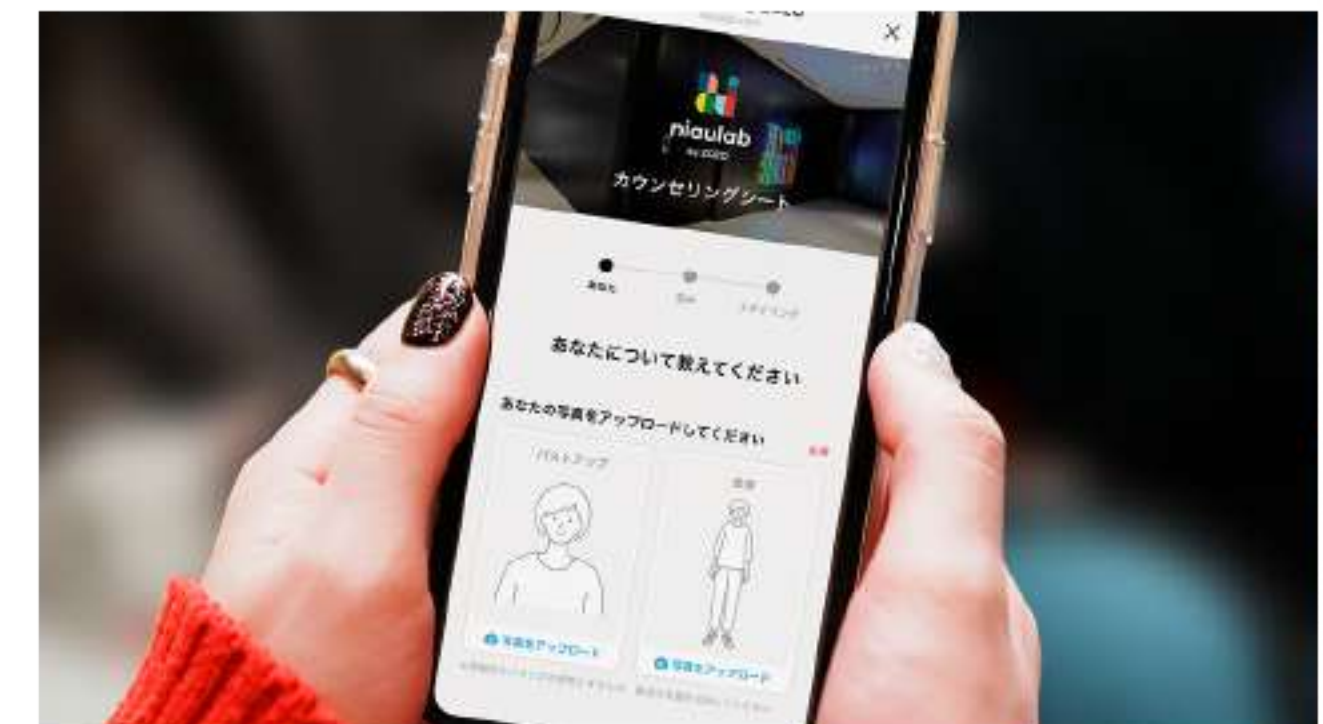
* Effective from the fiscal year ended March 2022, we have adopted the new accounting standards for revenue recognition.



Please have a seat here!



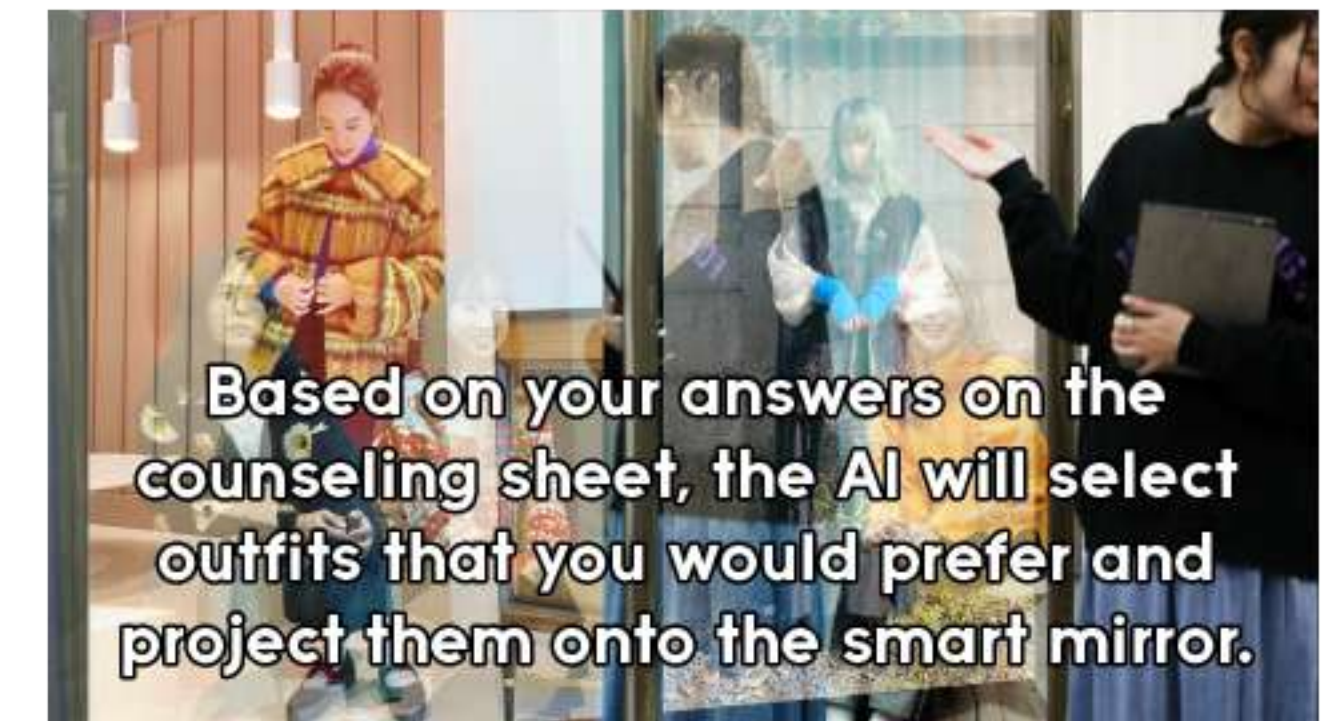
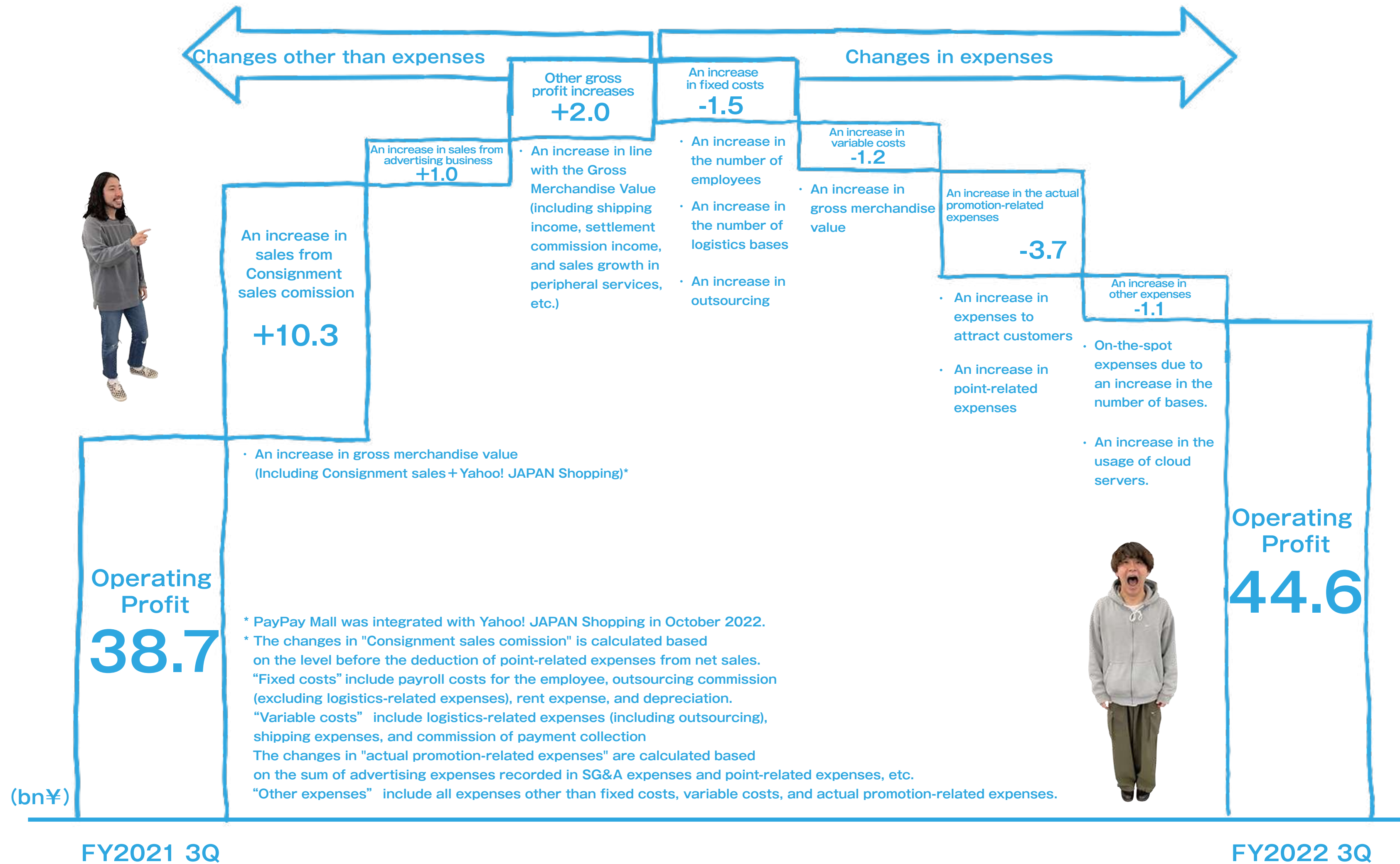
First, please answer your fashion preferences and concerns on a counseling sheet through the LINE app.*1



Hello, Hina! We will choose your outfits and do your makeup! *2


*Note1: At the actual niulab, you will apply through the niulab LINE app, and after confirming your selection, you will answer your fashion concerns and preferences in advance on the counseling sheet through the app. *Note2: Our team of professional stylists and hair and makeup artists will be available at the actual niulab.

INCREASE-DECREASE ANALYSIS OF OPERATING PROFIT(YOY COMPARISON)



CONSOLIDATED BALANCE SHEET

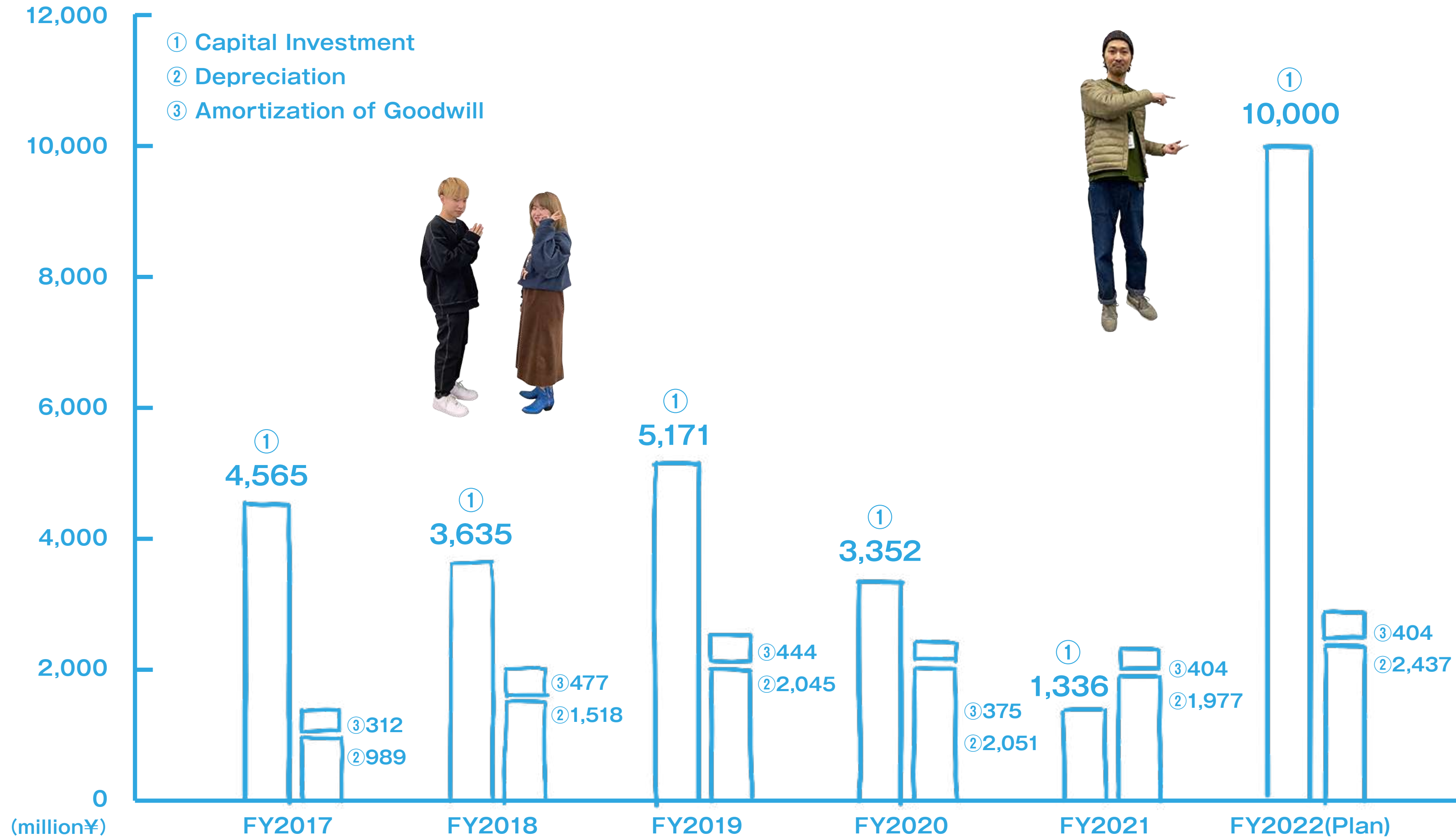
(million¥)



| | FY2021 (as of March 31, 2022) | FY2022 3Q (as of December 31, 2022) | | FY2021 (as of March 31, 2022) | FY2022 3Q (as of December 31, 2022) |
|-----------------------------------|----------------------------------|--|----------------------------------|----------------------------------|--|
| Current assets | 102,305 | 115,692 | Current liabilities | 66,172 | 68,678 |
| Cash and deposits | 65,520 | 66,018 | Short-term borrowing | 20,200 | 20,400 |
| Merchandise and finished products | 2,060 | 3,101 | Noncurrent liabilities | 6,005 | 6,575 |
| Noncurrent assets | 24,971 | 28,067 | Total liabilities | 72,177 | 75,253 |
| Tangible assets | 11,284 | 16,790 | Shareholders' equity | 55,100 | 68,435 |
| Intangible assets | 2,621 | 2,578 | Treasury stock | -44,784 | -44,558 |
| Investments and other assets | 11,065 | 8,698 | Total net assets | 55,099 | 68,507 |
| Total assets | 127,276 | 143,760 | Total liabilities and net assets | 127,276 | 143,760 |

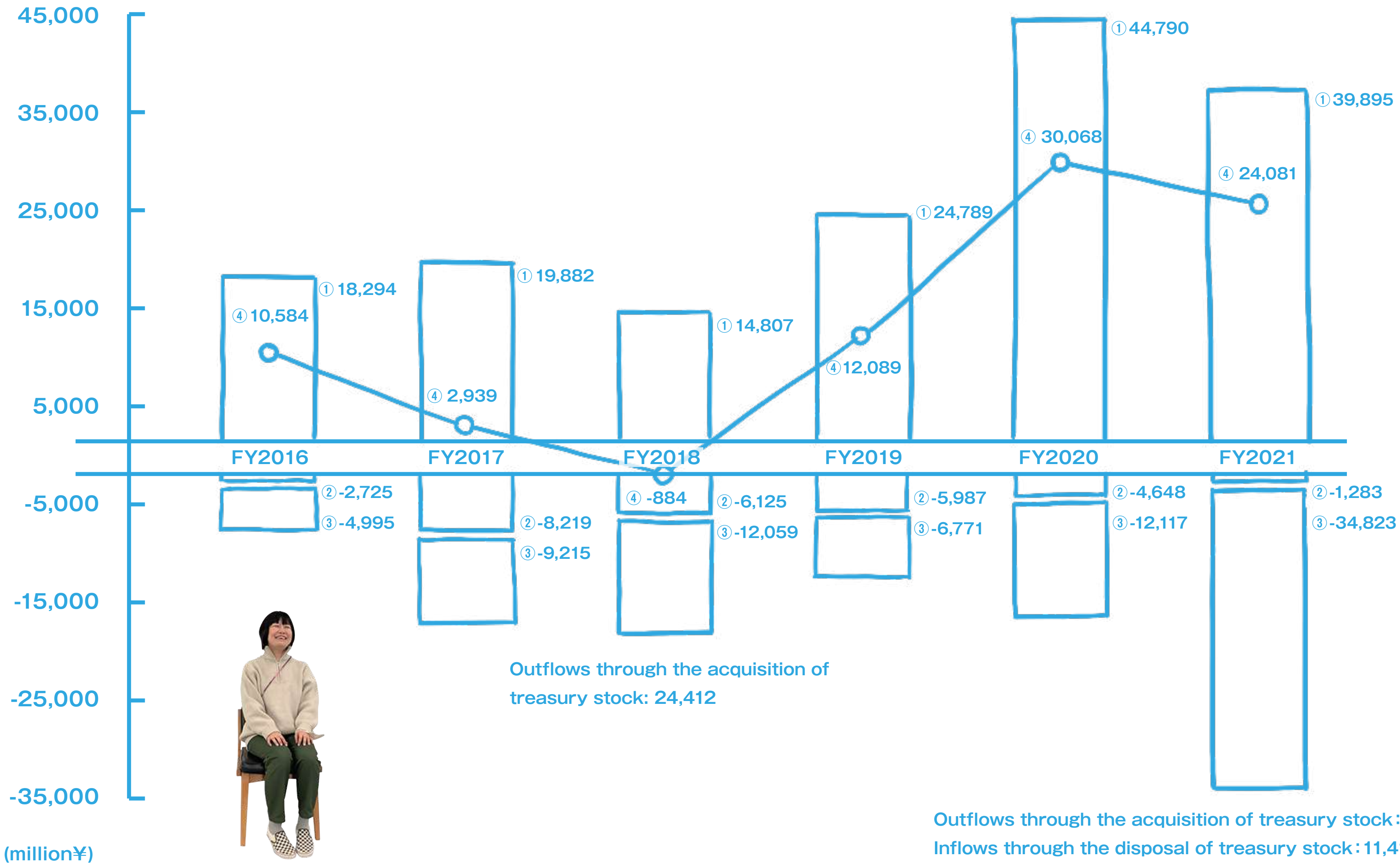


CAPITAL INVESTMENT

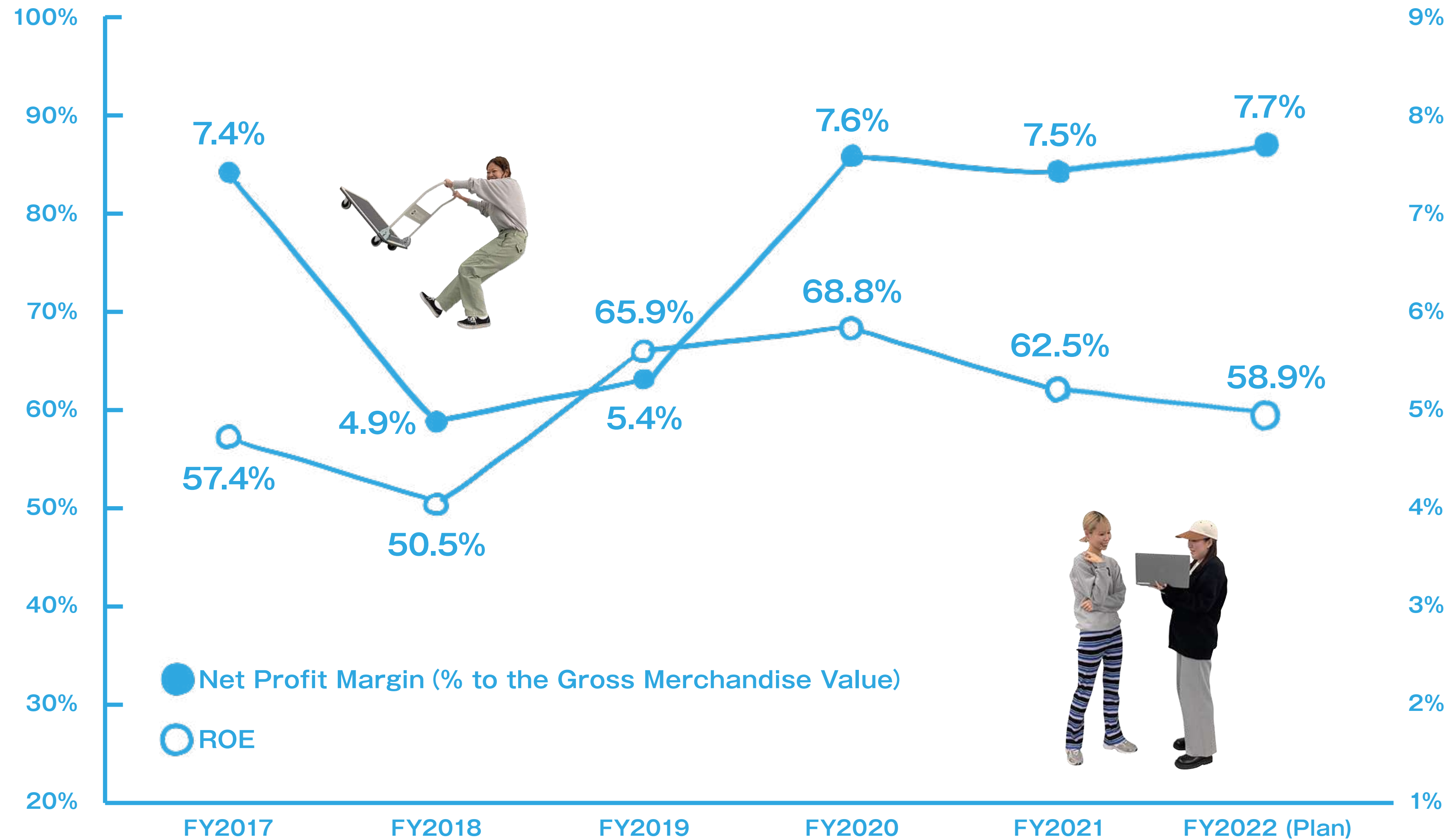


CASH FLOWS

- ① Cash flows from operating activities
- ② Cash flows from investing activities
- ③ Cash flows from financing activities
- ④ Substantial free cash flows
- ① + ② - Expenditure from dividends



ROE AND NET PROFIT MARGIN

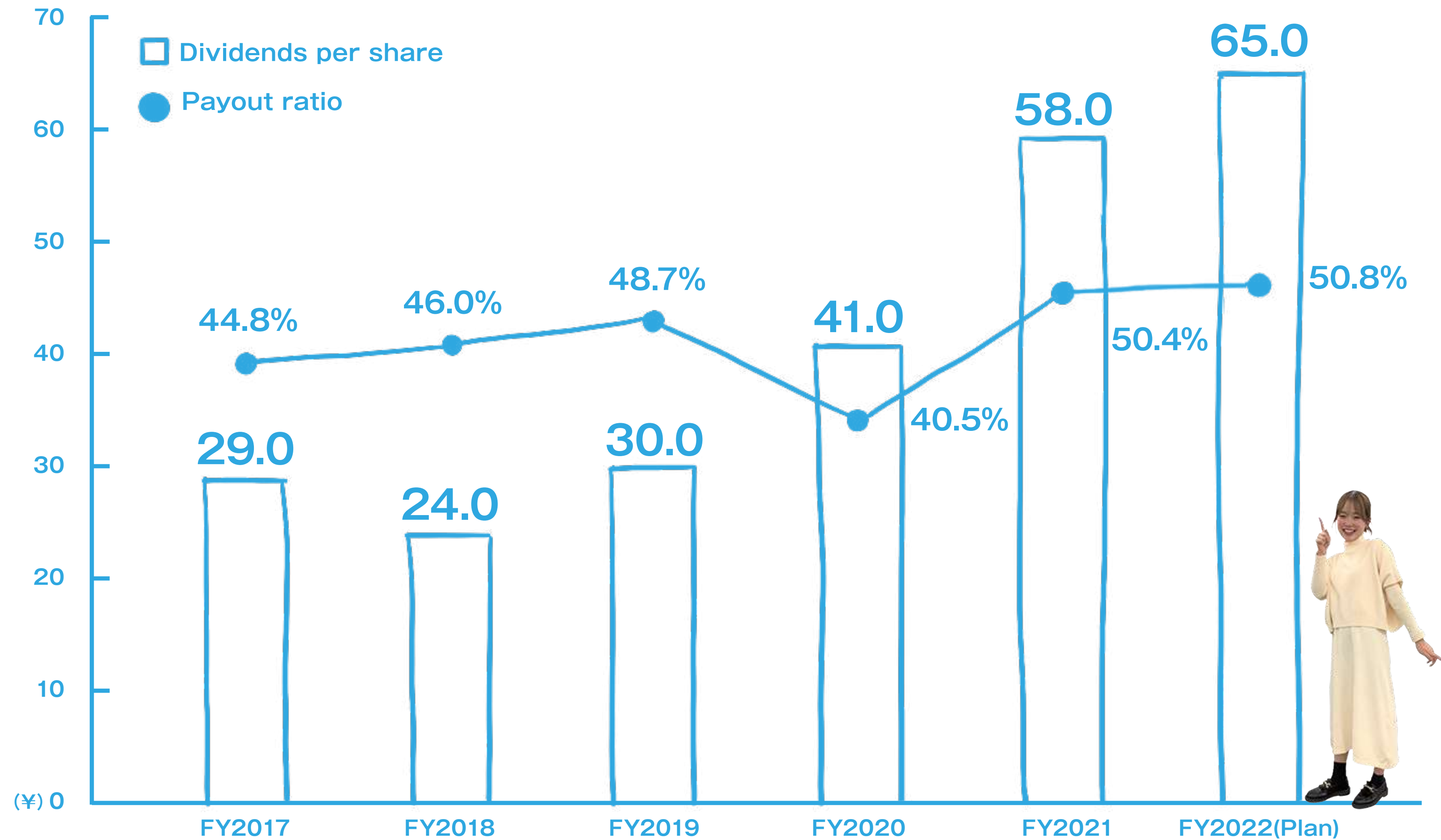


*Note: Our team of professional hair and makeup artists will be available at the actual niaulab.

* Net Profit margin is calculated by net profit divided by the gross merchandise value (excluding other GMV).

* Please note that the "Notice concerning revision of consolidated business forecast and year-end dividend" was released on January 31, 2023. The figures mentioned above reflect these revisions.

DIVIDENDS PER SHARE AND PAYOUT RATIO

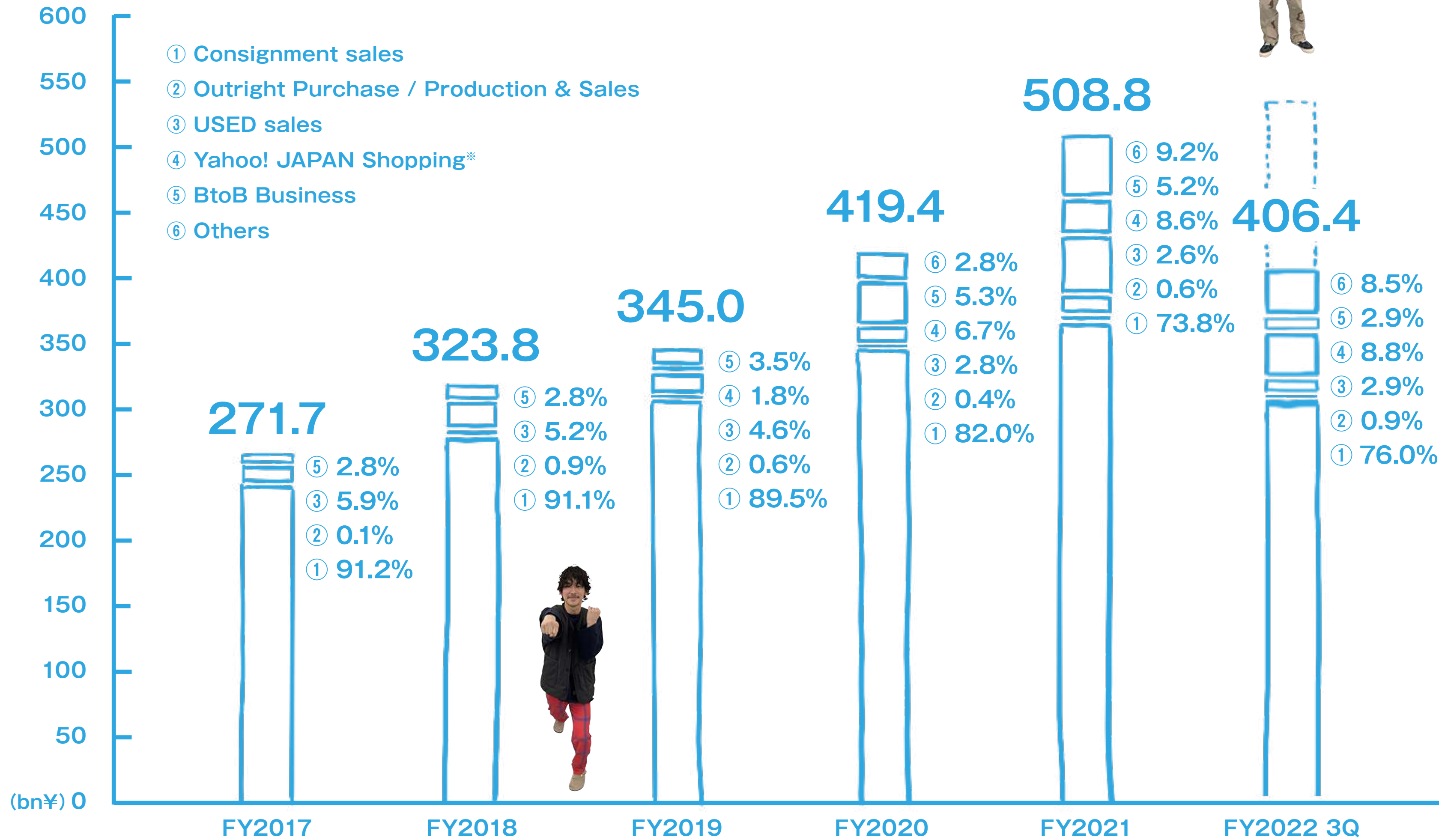


* Please note that the "Notice concerning revision of consolidated business forecast and year-end dividend" was released on January 31, 2023. The figures mentioned above reflect these revisions



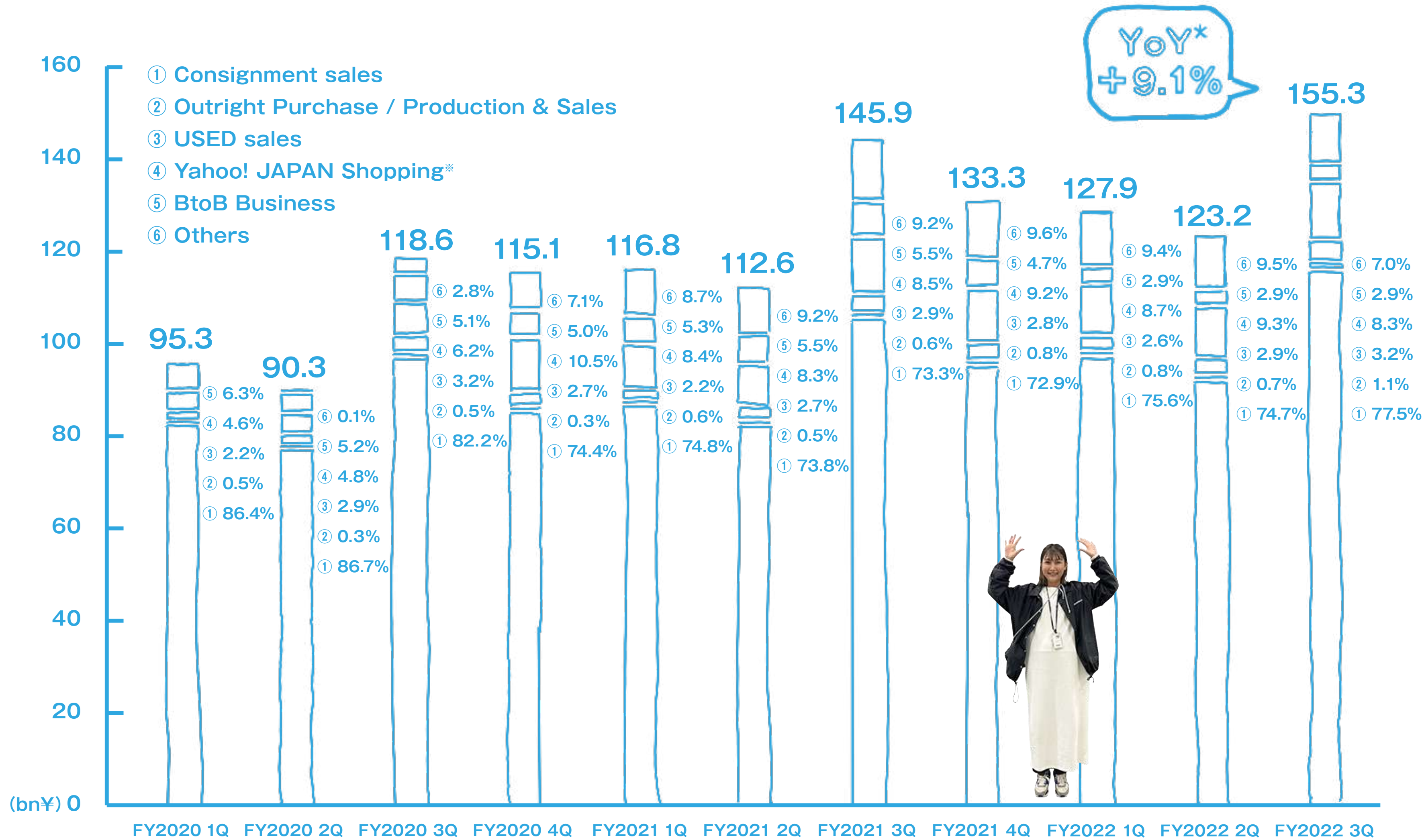
GROSS MERCHANDISE VALUE

Gross merchandise value of new shops opened in FY2022 3Q **ZOZOTOWN Business : ¥2.0 billion**
(accounts for 0.6% of the gross merchandise value)



* PayPay Mall was integrated with Yahoo! JAPAN Shopping in October 2022.

GROSS MERCHANDISE VALUE(QUARTERLY)

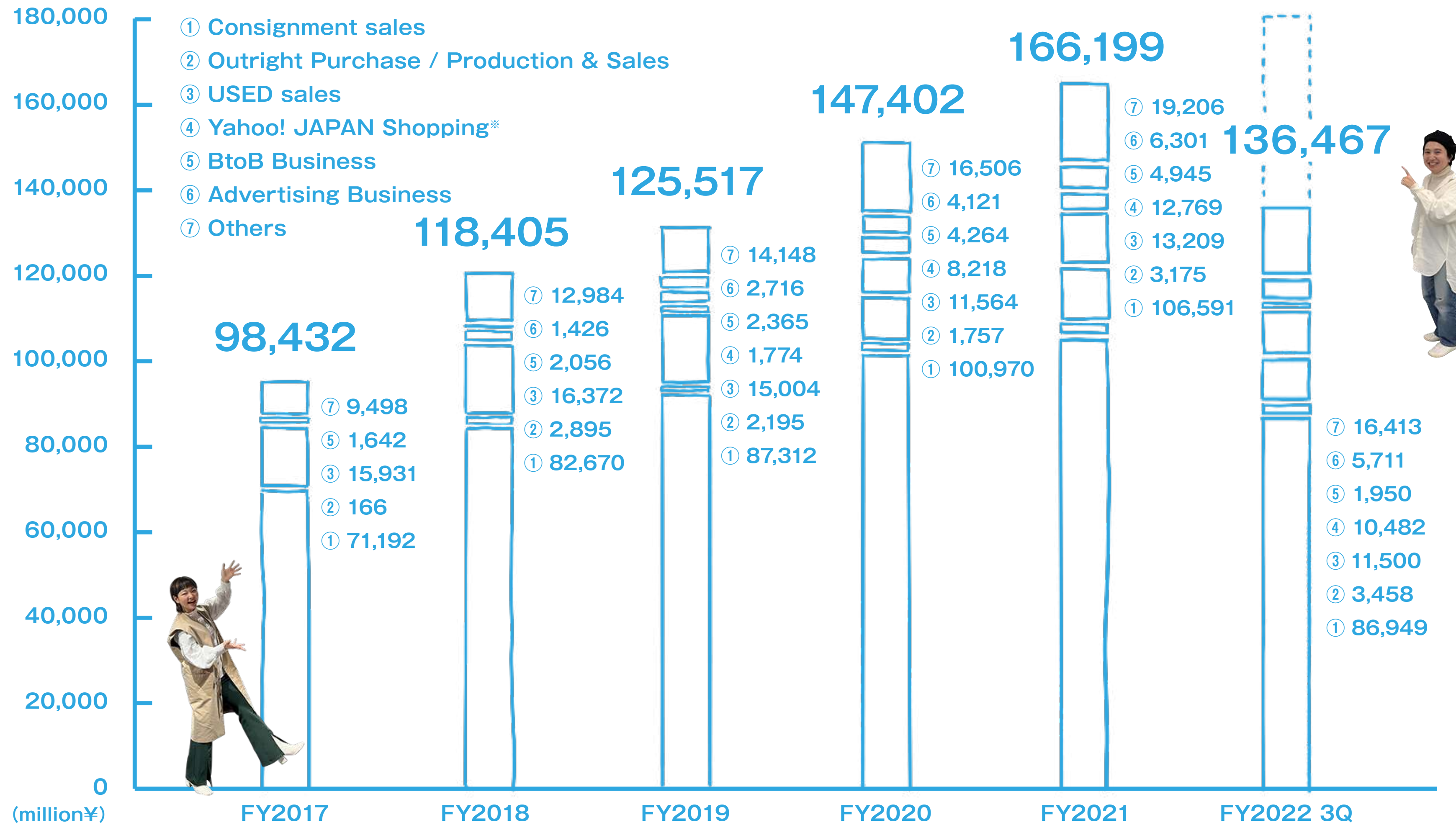


* PayPay Mall was integrated with Yahoo! JAPAN Shopping in October 2022.

* YoY is the comparison of GMV excluding "⑥ Others"

* At the actual niaulap, there is a professional photo shoot service available, where a photographer will take pictures of you in your newly styled outfits.

NET SALES

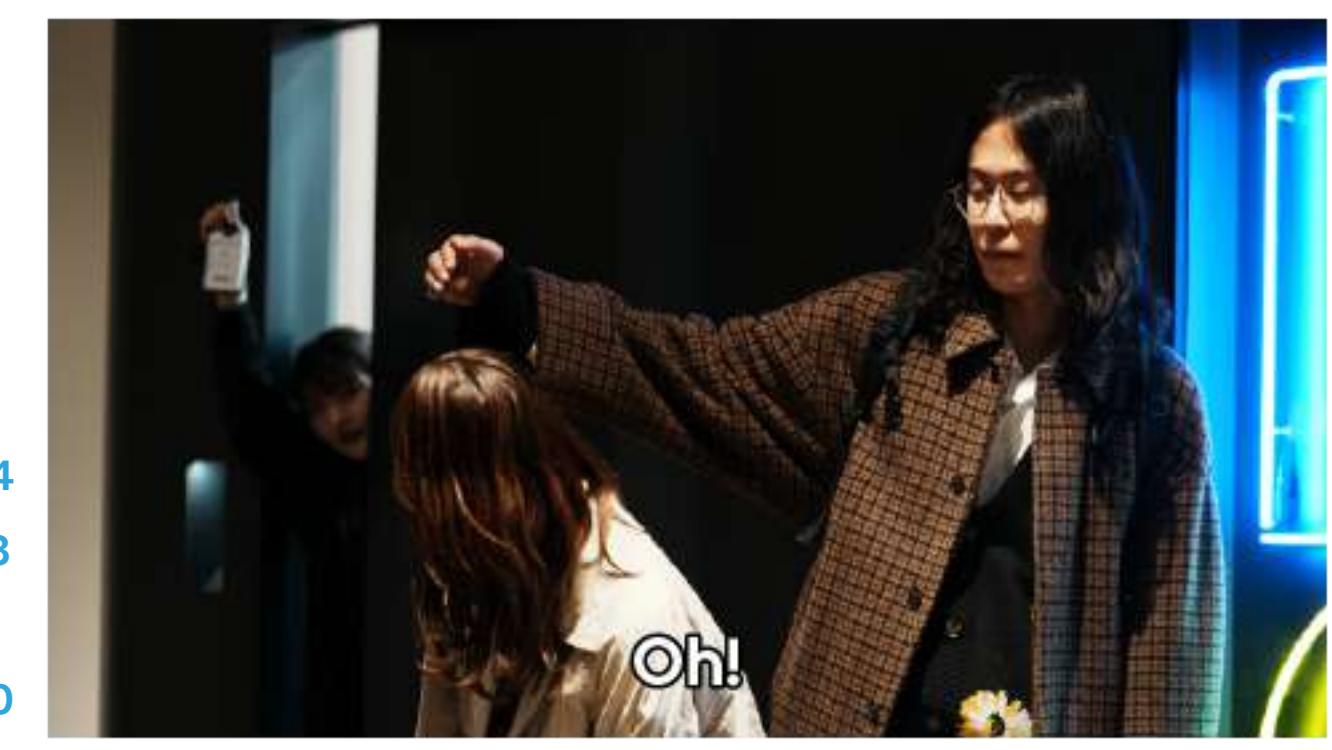
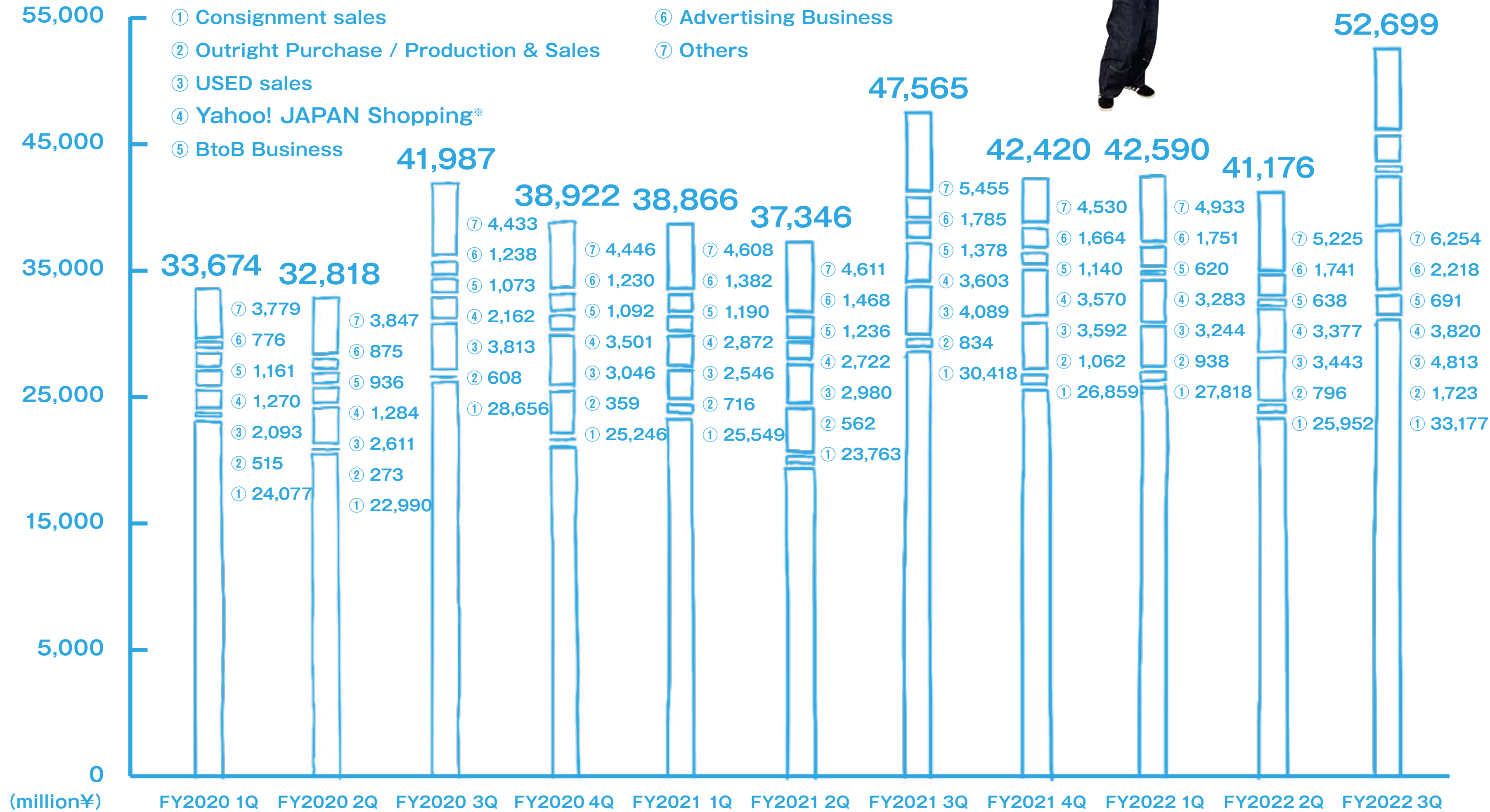


*PayPay Mall was integrated with Yahoo! JAPAN Shopping in October 2022.

*Effective from the fiscal year ended March 2022, we have adopted the new accounting standards for revenue recognition. Point-related expenses, which had been recorded in SG&A expenses until the fiscal year ended March 2021, are reduced from sales in the respective businesses, and the results are disclosed as net sales.

NET SALES(QUARTERLY)

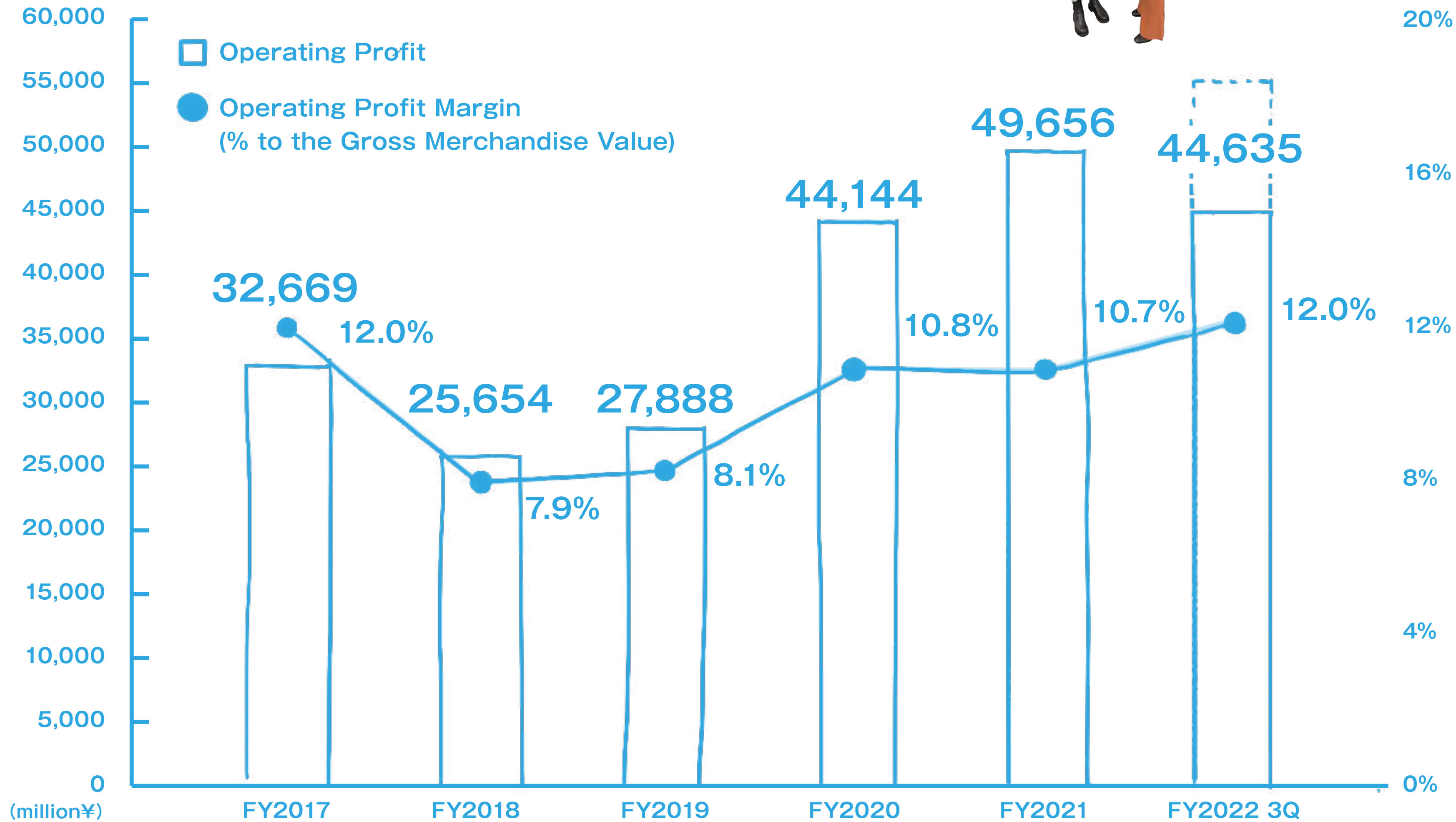
YoY
+10.8%



* PayPay Mall was integrated with Yahoo! JAPAN Shopping in October 2022.

* Effective from the fiscal year ended March 2022, we have adopted the new accounting standards for revenue recognition. Point-related expenses, which had been recorded in SG&A expenses until the fiscal year ended March 2021, are reduced from sales in the respective businesses, and the results are disclosed as net sales.

OPERATING PROFIT AND OPERATING PROFIT MARGIN



* Operating profit margins are calculated by operating profit divided by gross merchandise value (excluding other GMV).
 * Please note that the "Notice concerning revision of consolidated business forecast and year-end dividend" was released on January 31, 2023. The figures mentioned above reflect these revisions.

SELLING, GENERAL AND ADMINISTRATIVE(SG&A)EXPENSES (Cumulative amount as of FY2022 3Q)

(million¥)

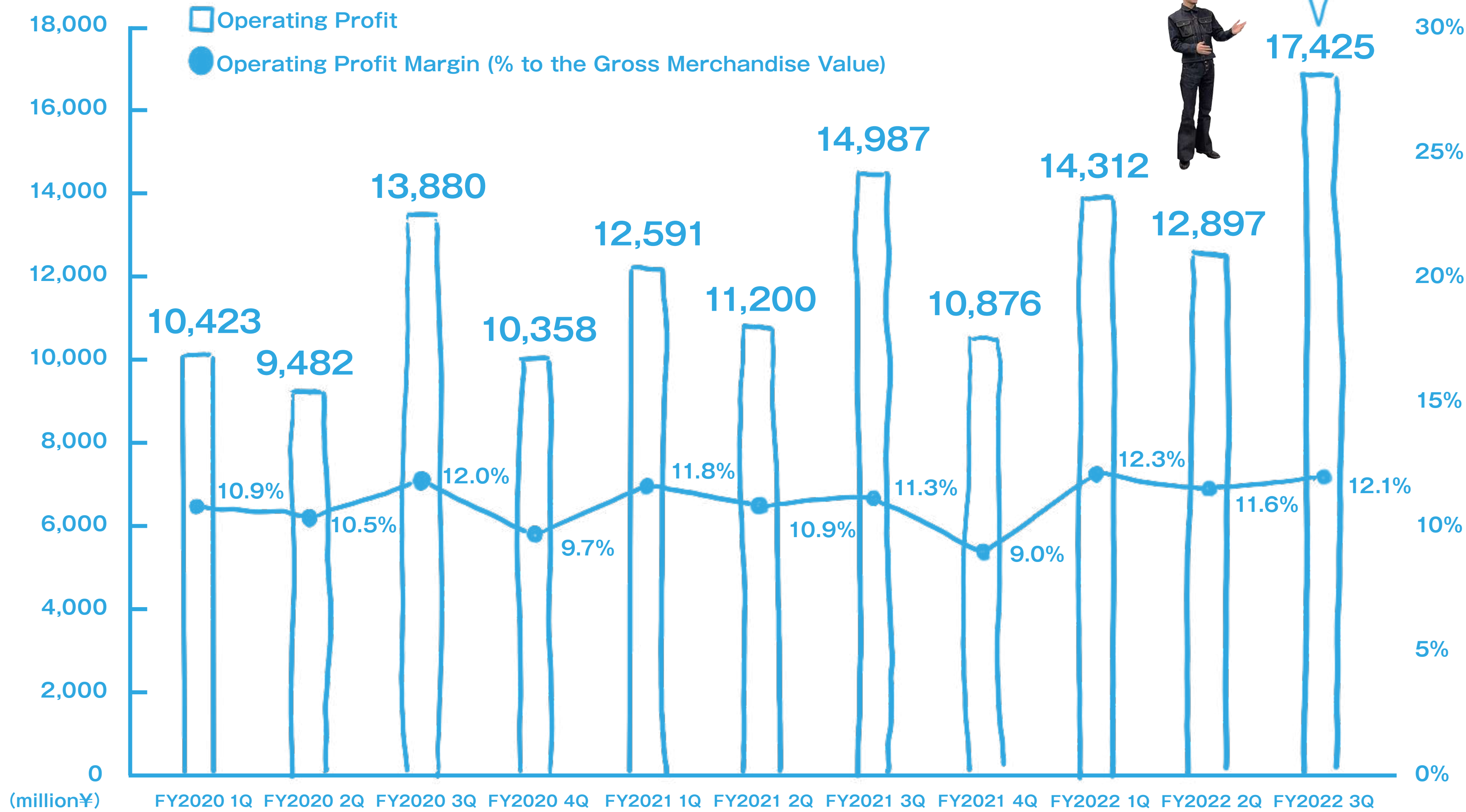
| | FY2021 3Q | | FY2022 3Q | | YoY | Increase / decrease factors |
|---|---------------|----------------------------------|---------------|----------------------------------|----------------------------------|---|
| | Amount | % to the Gross Merchandise Value | Amount | % to the Gross Merchandise Value | % to the Gross Merchandise Value | |
| Payroll and staff costs(*) | 21,631 | 6.3% | 21,859 | 5.9% | -0.4% | |
| Payroll costs for employee | 8,906 | 2.6% | 9,521 | 2.6% | 0.0% | Transition of the number of employees on consolidated basis: FY2021 3Q 1,381 → FY2022 3Q 1,513 |
| Logistics-Related Expenses (Including Outsourcing) | 12,724 | 3.7% | 12,337 | 3.3% | -0.4% | Efficient operations continued with an increase in inventory storage capacity due to the re-leasing of the warehouses of CHIBA 3. |
| Outsourcing Commission (Excluding Logistics-Related Expenses) | 4,387 | 1.3% | 5,024 | 1.4% | 0.1% | An increase in outsourcing of system development, maintenance, etc. |
| Shipping | 23,359 | 6.8% | 24,282 | 6.5% | -0.3% | The ratio of shipping expenses to the Gross Merchandise Value decreased due to the optimization of the cardboard box size and other materials used for delivery, and the influence of higher order value that exceeded the effect of cost increases resulting from the implementation of fuel surcharges. |
| Commission of Payment collection | 8,206 | 2.4% | 8,872 | 2.4% | 0.0% | |
| Advertising | 7,128 | 2.1% | 8,486 | 2.3% | 0.2% | Expenses for ZOZOGLASS decreased. An increase in the measures to attract customers through web commercials or advertising. |
| Rent expense | 4,295 | 1.3% | 4,546 | 1.2% | -0.1% | An increase in a distribution center (resumption of the lease at the warehouse CHIBA 3 from April 2022). |
| Depreciation | 1,436 | 0.4% | 1,454 | 0.4% | 0.0% | |
| Amortization of goodwill | 303 | 0.1% | 337 | 0.1% | 0.0% | |
| Stock Compensation Expenses | 77 | 0.0% | 81 | 0.0% | 0.0% | |
| Others | 7,014 | 2.1% | 8,080 | 2.2% | 0.1% | An increase in cloud server usage for the system replacement. Purchase of equipment due to an increase in the distribution centers. (1Q) |
| Total SG&A | 77,841 | 22.8% | 83,024 | 22.3% | -0.5% | |

* Payroll includes directors' remuneration, employee salaries, bonus, legal welfare expenses, welfare expenses, retirement benefits cost, provision for employee bonus, expenses of company pension premium, subcontracting payroll, a portion of expenses at logistics centers operation. "Employee" includes directors, full 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.

* Numbers of % to the Gross Merchandise Value are calculated by each expense divided by gross merchandise value (excluding other GMV).



OPERATING PROFIT AND OPERATING PROFIT MARGIN(QUARTERLY)

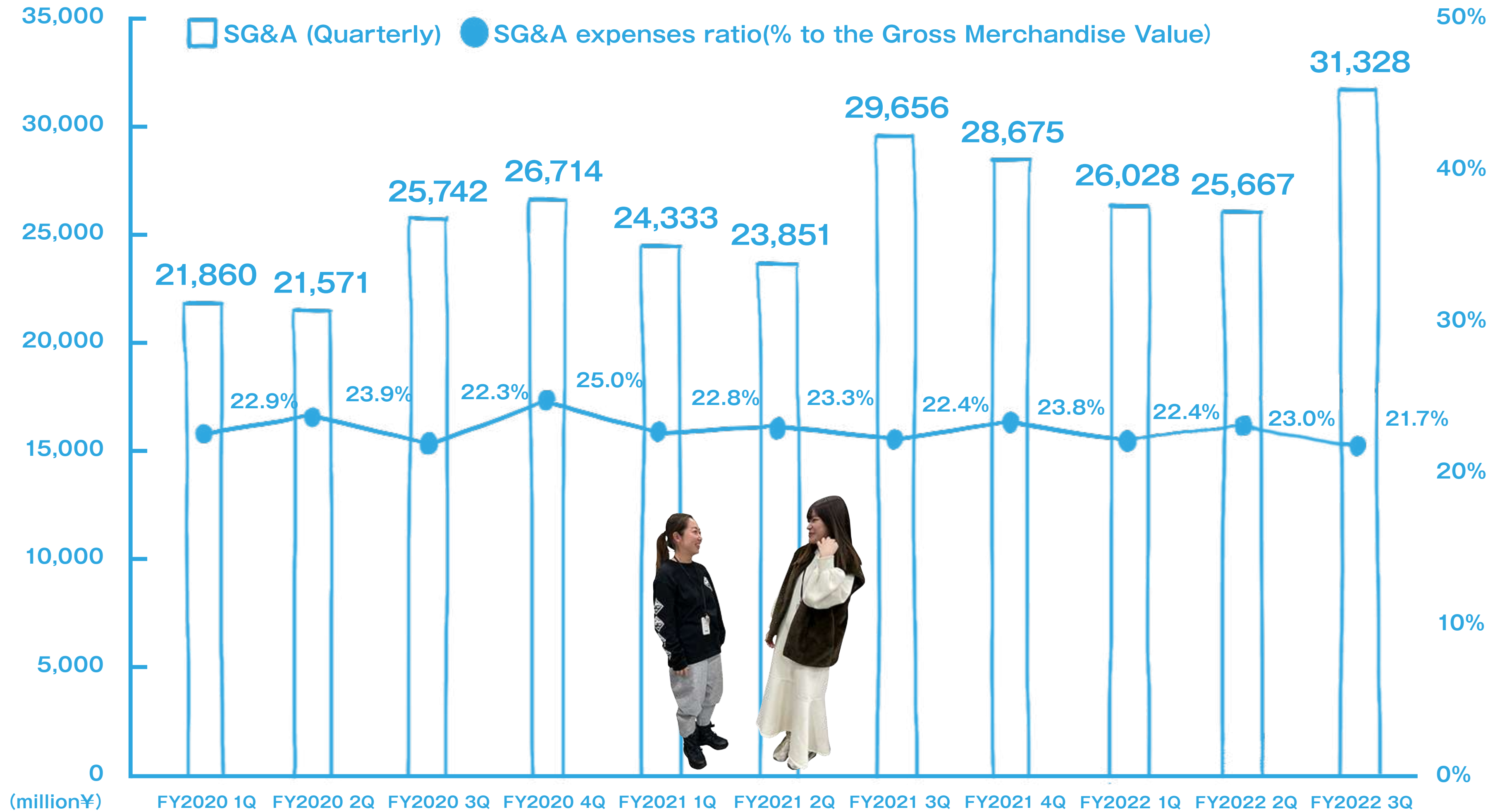


YoY
+16.3%



* Operating profit margins are calculated by operating profit divided by gross merchandise value (excluding other GMV).

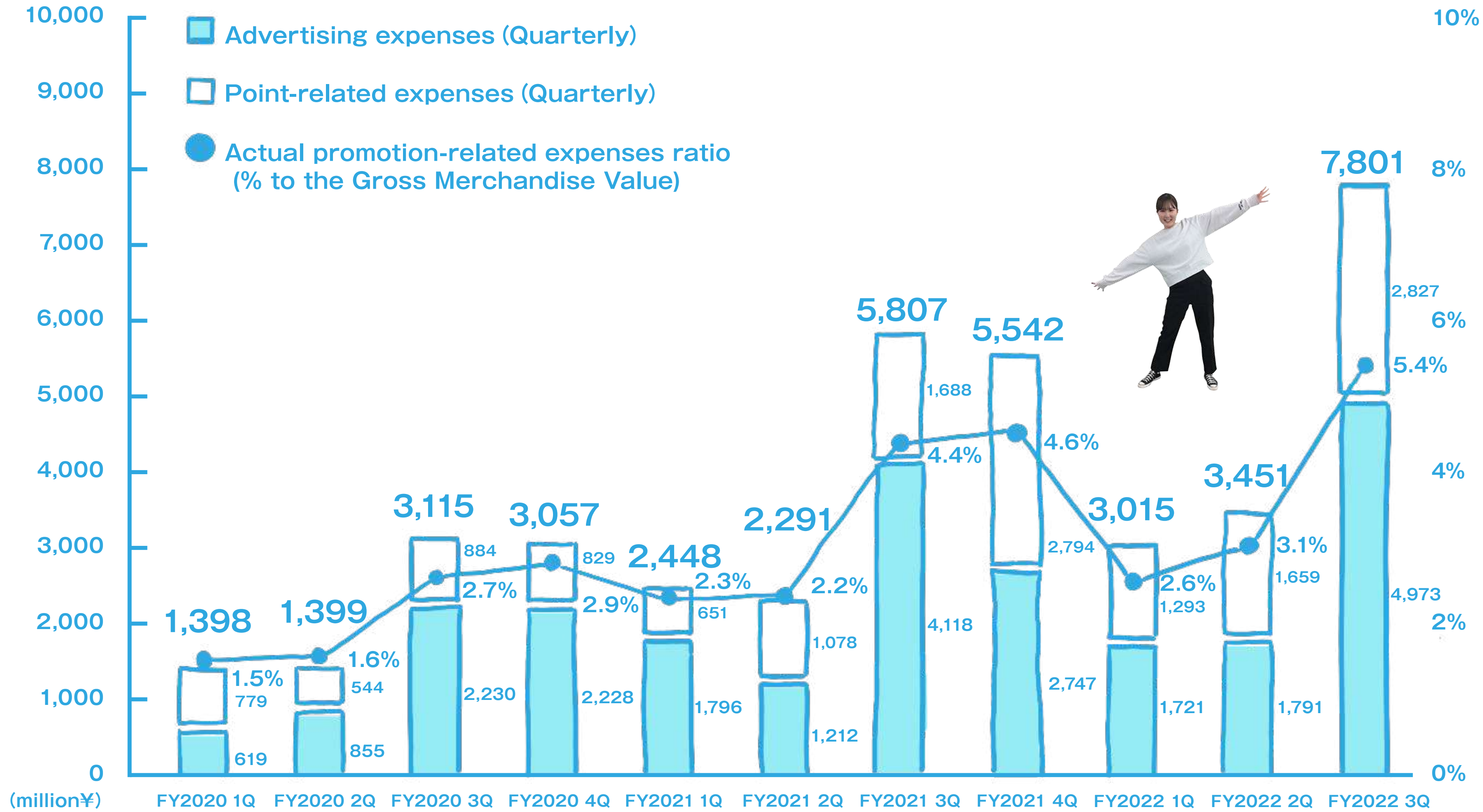
SELLING, GENERAL AND ADMINISTRATIVE (SG&A) EXPENSES (QUARTERLY)



* SG&A expenses ratio is calculated by related items divided by the gross merchandise value (excluding other GMV).
 * Effective from the fiscal year ended March 2022, we have adopted the new accounting standards for revenue recognition. Point-related expenses, which had been recorded in SG&A expenses until the fiscal year ended March 2021, are reduced from sales in the respective businesses, and the results are disclosed as net sales.

Actual promotion-related expenses (QUARTERLY)

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



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

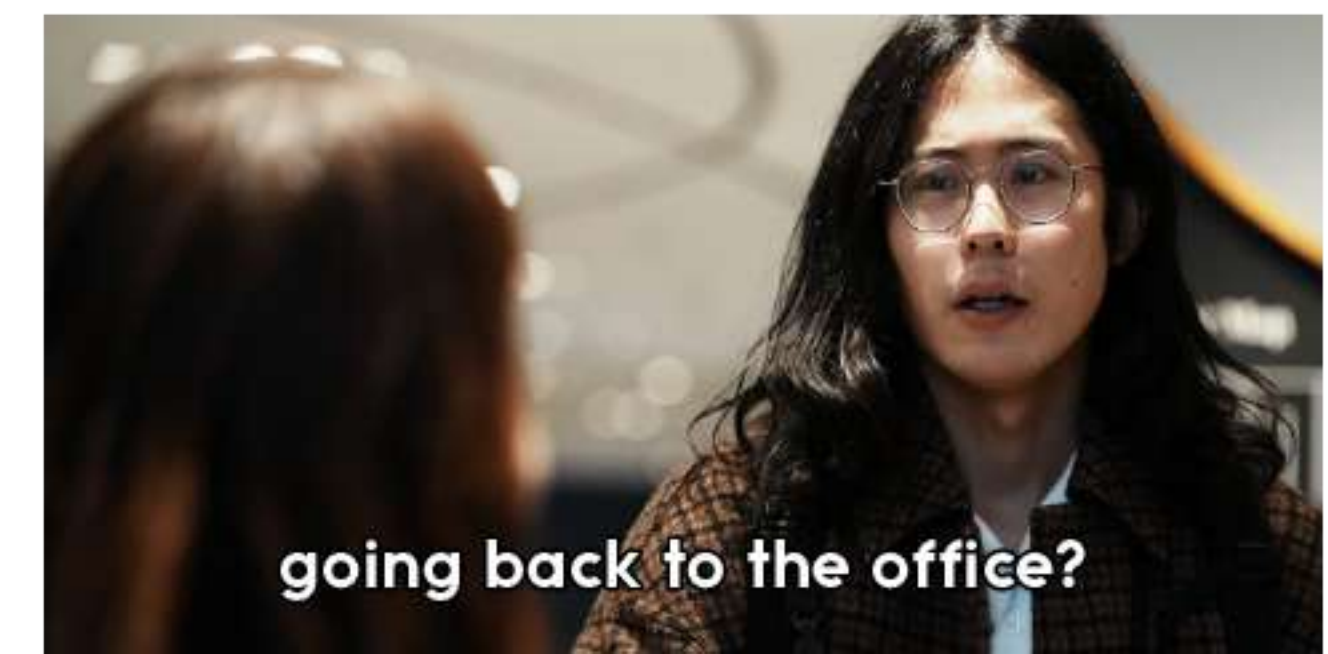


OVERVIEW OF SG&A BY EACH QUARTER

(million¥)

| | FY2021 | | | | | | | | FY2022 | | | | | |
|---|---------------|----------------------------------|---------------|----------------------------------|---------------|----------------------------------|---------------|----------------------------------|---------------|----------------------------------|---------------|----------------------------------|---------------|----------------------------------|
| | 1Q | | 2Q | | 3Q | | 4Q | | 1Q | | 2Q | | 3Q | |
| | Amount | % to the Gross Merchandise Value | Amount | % to the Gross Merchandise Value | Amount | % to the Gross Merchandise Value | Amount | % to the Gross Merchandise Value | Amount | % to the Gross Merchandise Value | Amount | % to the Gross Merchandise Value | Amount | % to the Gross Merchandise Value |
| Payroll and staff costs(*) | 6,883 | 6.5% | 6,887 | 6.7% | 7,860 | 5.9% | 8,542 | 7.1% | 7,132 | 6.2% | 6,955 | 6.2% | 7,771 | 5.4% |
| Payroll costs for employee | 2,831 | 2.7% | 2,774 | 2.7% | 3,300 | 2.5% | 4,146 | 3.4% | 3,115 | 2.7% | 3,111 | 2.8% | 3,295 | 2.3% |
| Logistics-Related Expenses (Including Outsourcing) | 4,051 | 3.8% | 4,112 | 4.0% | 4,559 | 3.4% | 4,396 | 3.6% | 4,016 | 3.5% | 3,844 | 3.4% | 4,476 | 3.1% |
| Outsourcing Commission (Excluding Logistics-Related Expenses) | 1,429 | 1.3% | 1,499 | 1.5% | 1,458 | 1.1% | 1,649 | 1.4% | 1,646 | 1.4% | 1,657 | 1.5% | 1,720 | 1.2% |
| Shipping | 7,597 | 7.1% | 7,486 | 7.3% | 8,275 | 6.2% | 8,021 | 6.7% | 7,996 | 6.9% | 7,708 | 6.9% | 8,577 | 5.9% |
| Commission of Payment collection | 2,580 | 2.4% | 2,478 | 2.4% | 3,146 | 2.4% | 2,771 | 2.3% | 2,733 | 2.4% | 2,710 | 2.4% | 3,428 | 2.4% |
| Advertising | 1,796 | 1.7% | 1,212 | 1.2% | 4,118 | 3.1% | 2,747 | 2.3% | 1,721 | 1.5% | 1,791 | 1.6% | 4,973 | 3.4% |
| Rent expense | 1,431 | 1.3% | 1,432 | 1.4% | 1,432 | 1.1% | 1,432 | 1.2% | 1,514 | 1.3% | 1,513 | 1.4% | 1,517 | 1.0% |
| Depreciation | 454 | 0.4% | 478 | 0.5% | 503 | 0.4% | 541 | 0.4% | 465 | 0.4% | 473 | 0.4% | 515 | 0.4% |
| Amortization of goodwill | 101 | 0.1% | 100 | 0.1% | 101 | 0.1% | 101 | 0.1% | 106 | 0.1% | 106 | 0.1% | 124 | 0.1% |
| Stock Compensation Expenses | 13 | 0.0% | 38 | 0.0% | 25 | 0.0% | 9 | 0.0% | 10 | 0.0% | 35 | 0.0% | 35 | 0.0% |
| Others | 2,043 | 1.9% | 2,237 | 2.2% | 2,733 | 2.1% | 2,858 | 2.4% | 2,702 | 2.3% | 2,714 | 2.4% | 2,663 | 1.8% |
| Total SG&A | 24,333 | 22.8% | 23,851 | 23.3% | 29,656 | 22.4% | 28,675 | 23.8% | 26,028 | 22.4% | 25,667 | 23.0% | 31,328 | 21.7% |

* Payroll includes directors' remuneration, employee salaries, bonus, legal welfare expenses, welfare expenses, retirement benefits cost, provision for employee bonus, expenses of company pension premium, subcontracting payroll, a portion of expenses at logistics centers operation. "Employee" includes directors, full 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. * Numbers of % to the Gross Merchandise Value are calculated by each expense divided by gross merchandise value (excluding other GMV). * Effective from the fiscal year ending March 2022, we have adopted the new accounting standards for revenue recognition.



NUMBER OF TOTAL BUYERS



See you tomorrow!



Nishi-Chiba Office

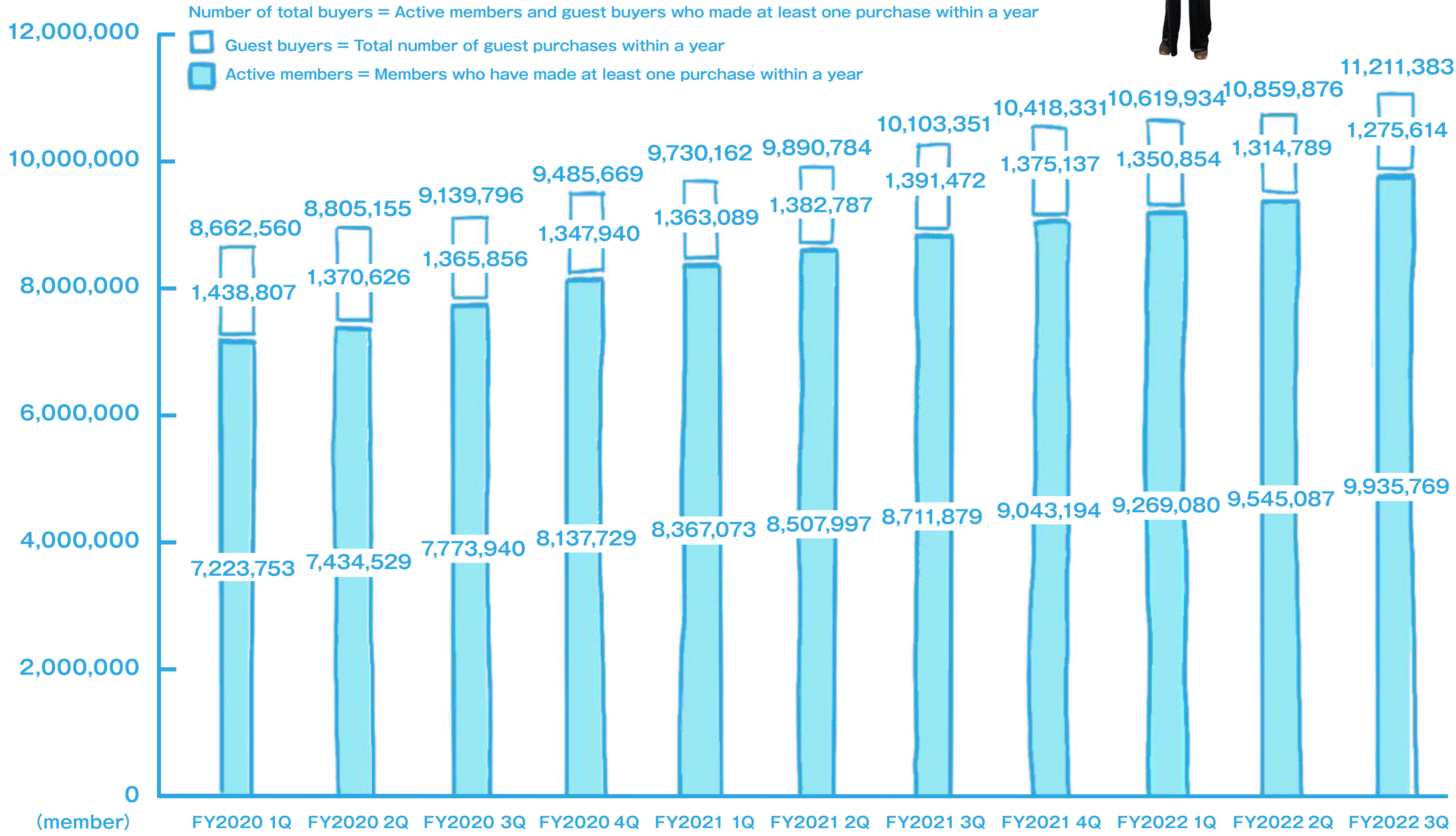
I can't find my globe keychain...



When I have that, I can work with a smile on my face.



Oh, Come on...

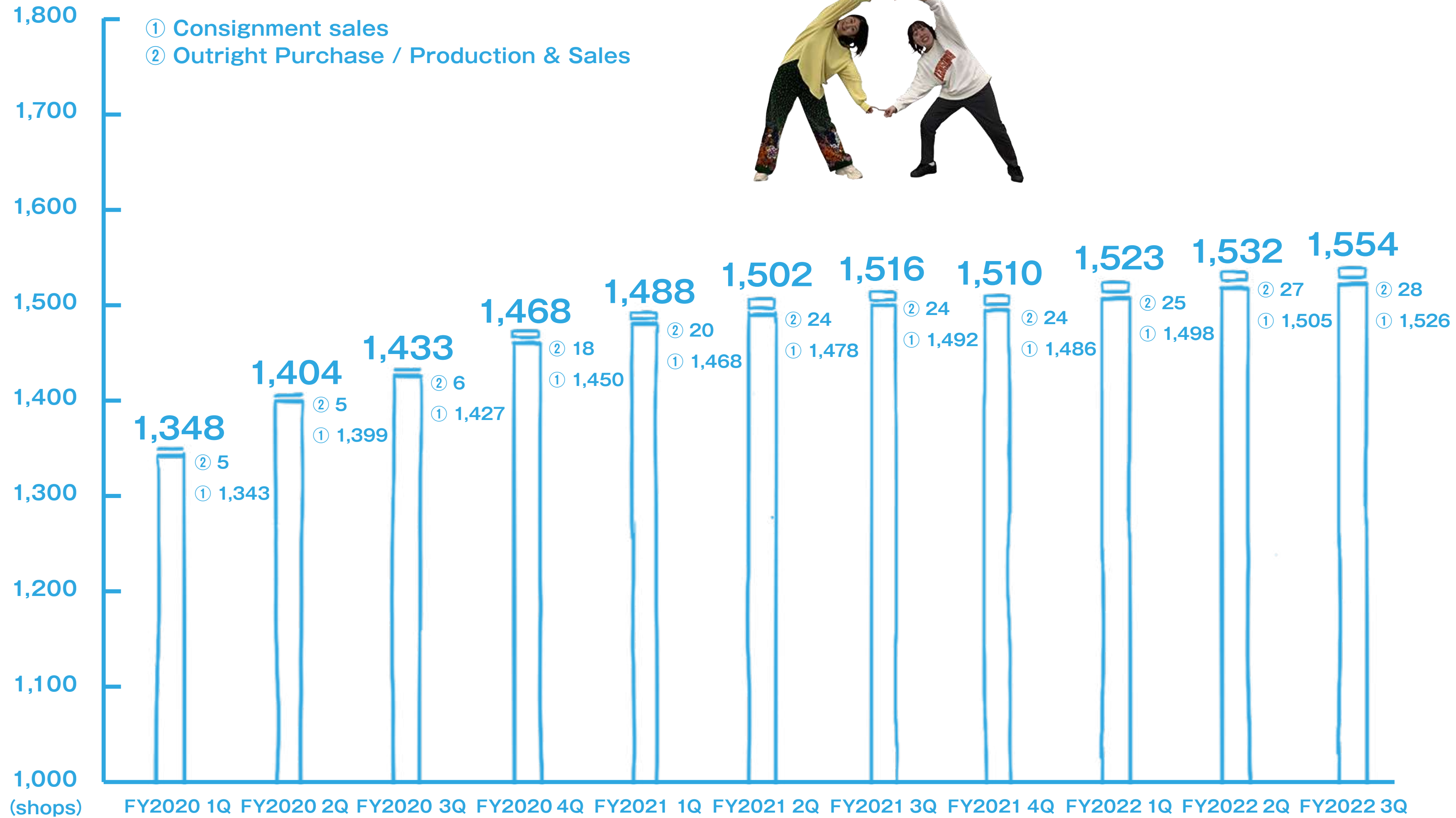


* The results are only from the ZOZOTOWN business (<https://zozo.jp>). Yahoo! JAPAN Shopping is not included.

* PayPay Mall was integrated with Yahoo! JAPAN Shopping in October 2022.

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

NUMBER OF SHOPS ON ZOZOTOWN

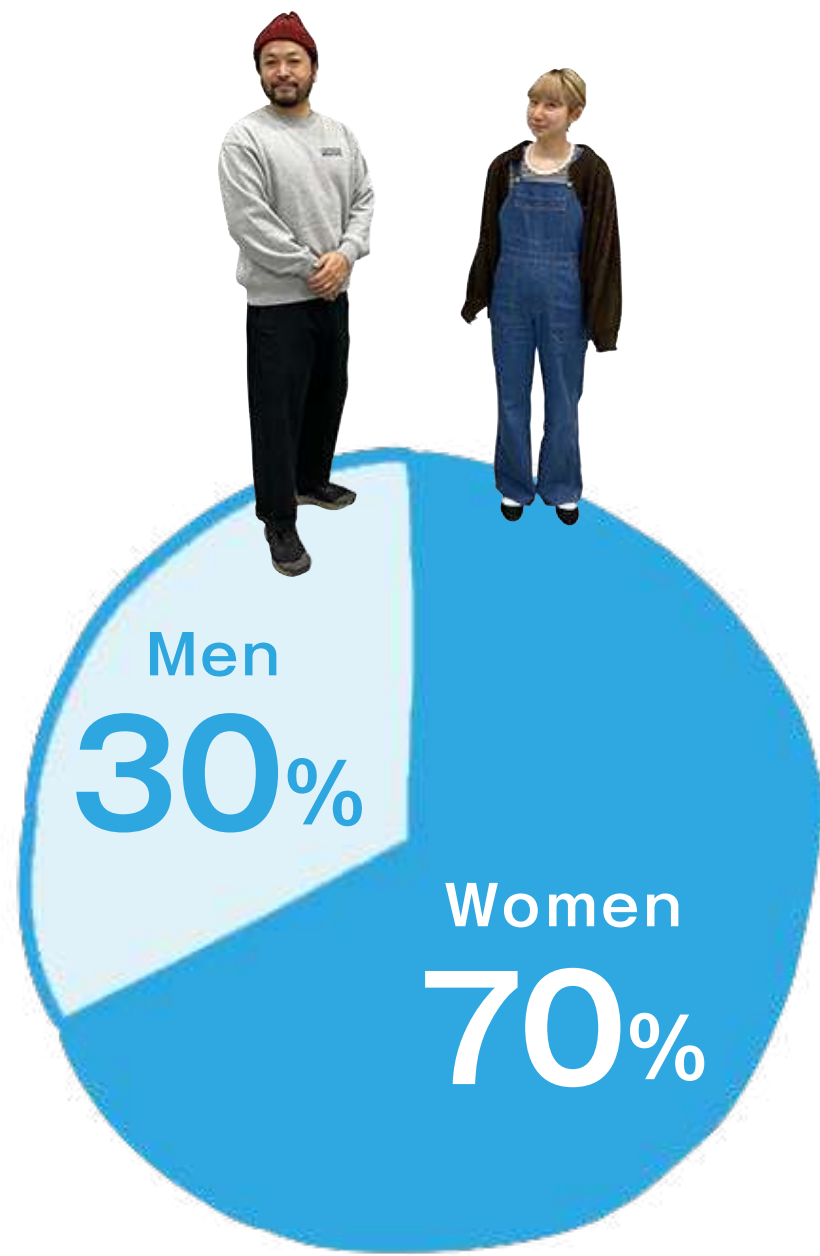


* Shops of the private brand "ZOZO" and "Multi-Size" are not included to the number of shops.

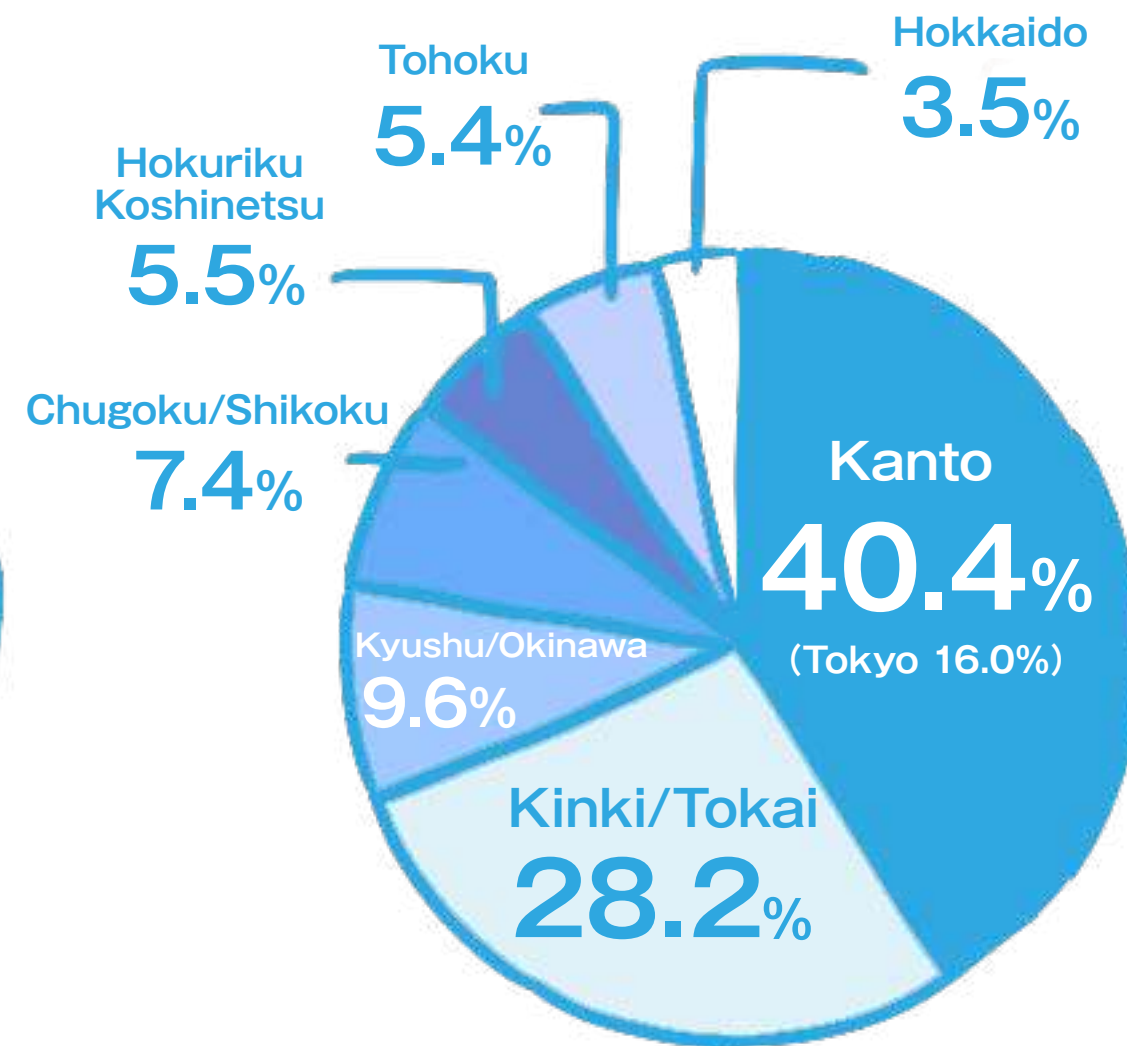


ACTIVE MEMBER DISTRIBUTION

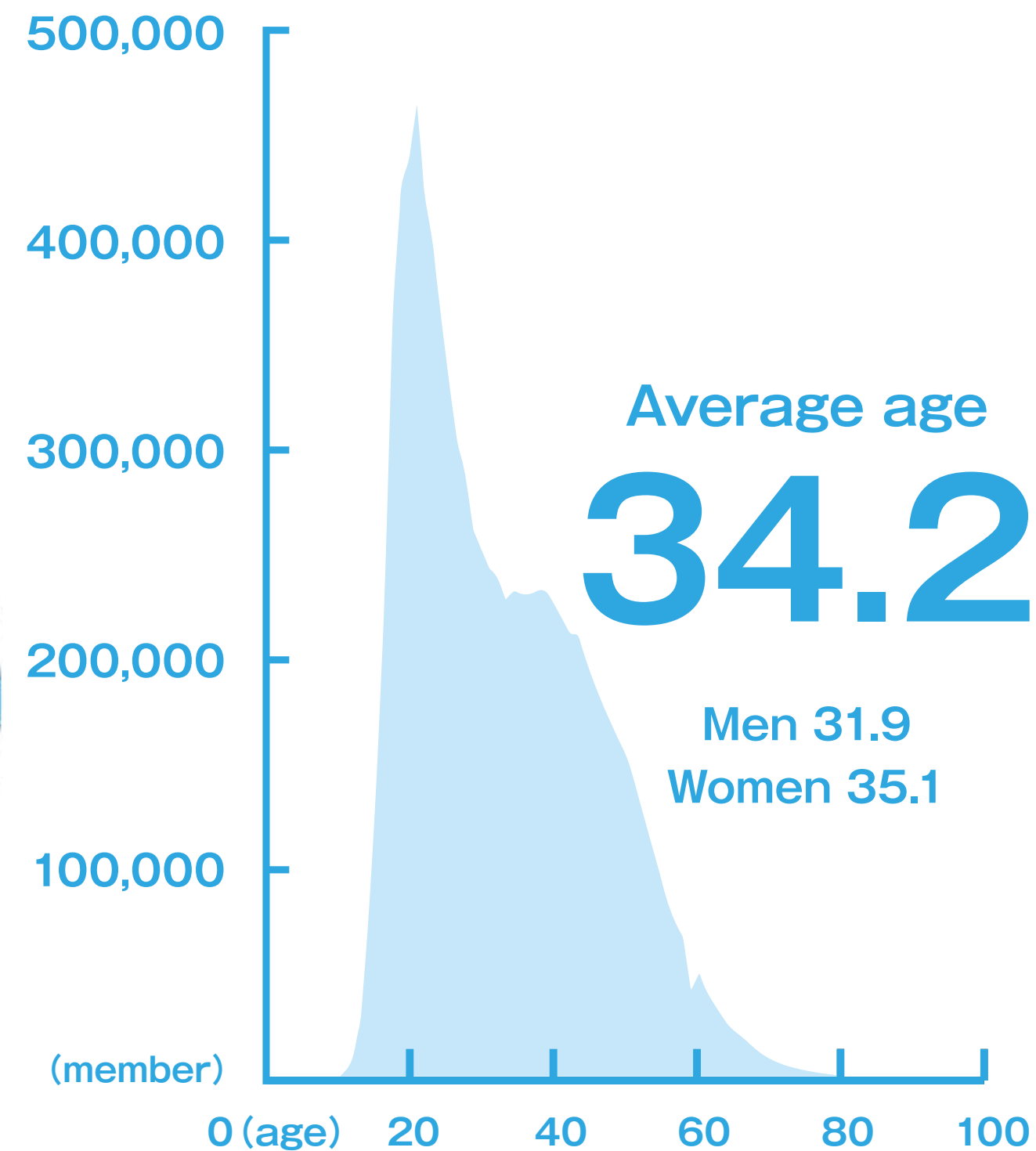
Gender ratio



Geographical distribution

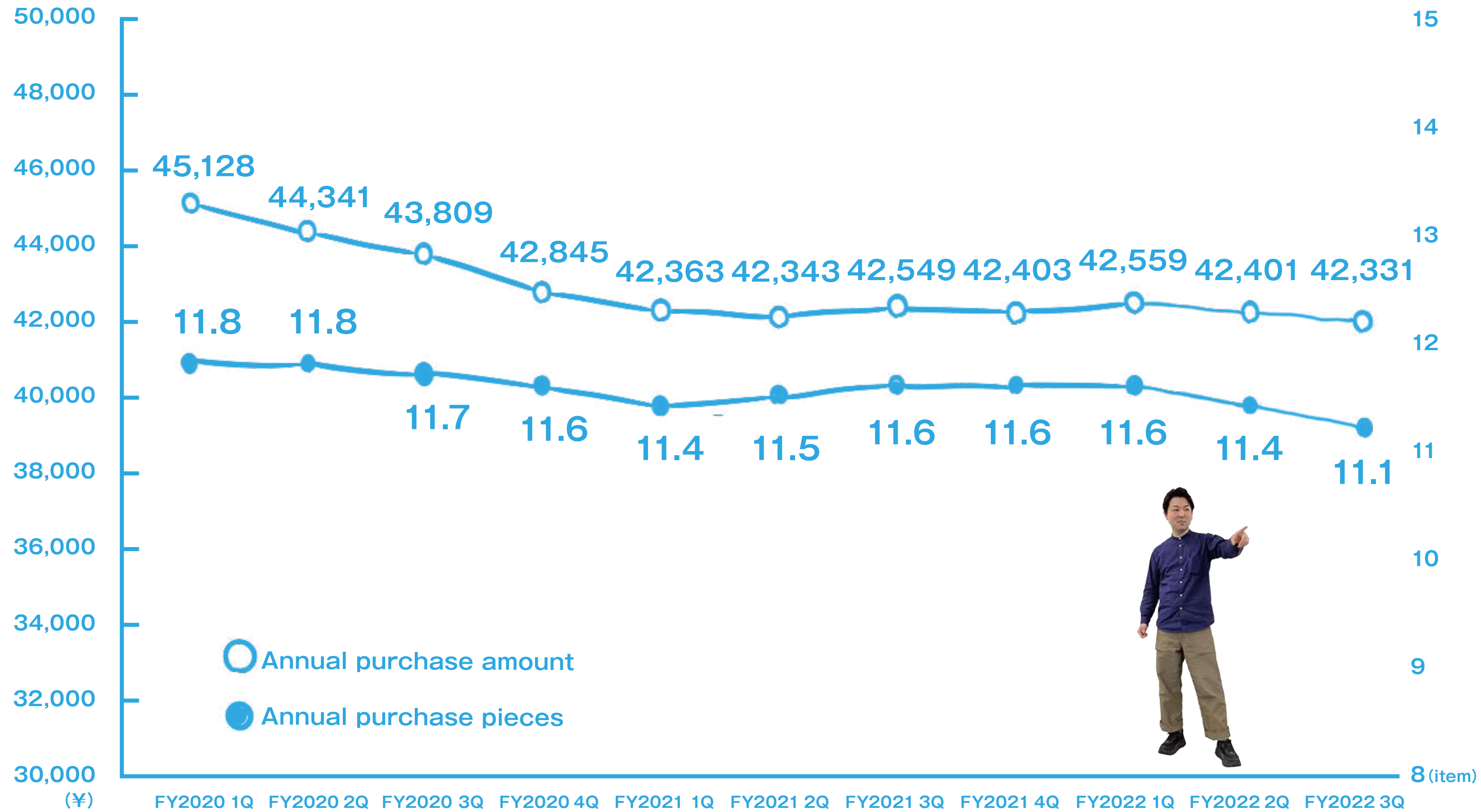


Age distribution



* The shown data on Active Member Distribution is only based on the numbers from the ZOZOTOWN business (<https://zozo.jp>). Yahoo! JAPAN Shopping is not included.
* PayPay Mall was integrated with Yahoo! JAPAN Shopping in October 2022.

ANNUAL PURCHASE AMOUNT AND PIECES PER ACTIVE MEMBER



* The results are only from the ZOZOTOWN business (<https://zozo.jp>). Yahoo! JAPAN Shopping is not included.

* PayPay Mall was integrated with Yahoo! JAPAN Shopping in October 2022.

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

ANNUAL PURCHASE AMOUNT AND PIECES PER EXISTING ACTIVE MEMBER

Existing active members: Active members who have passed over 1 year since their registration



* The results are only from the ZOZOTOWN business (<https://zozo.jp>). Yahoo! JAPAN Shopping is not included.

* PayPay Mall was integrated with Yahoo! JAPAN Shopping in October 2022.

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

NUMBER OF SHIPMENTS



Thank you for coming to help, even though it's the New Year.

100%



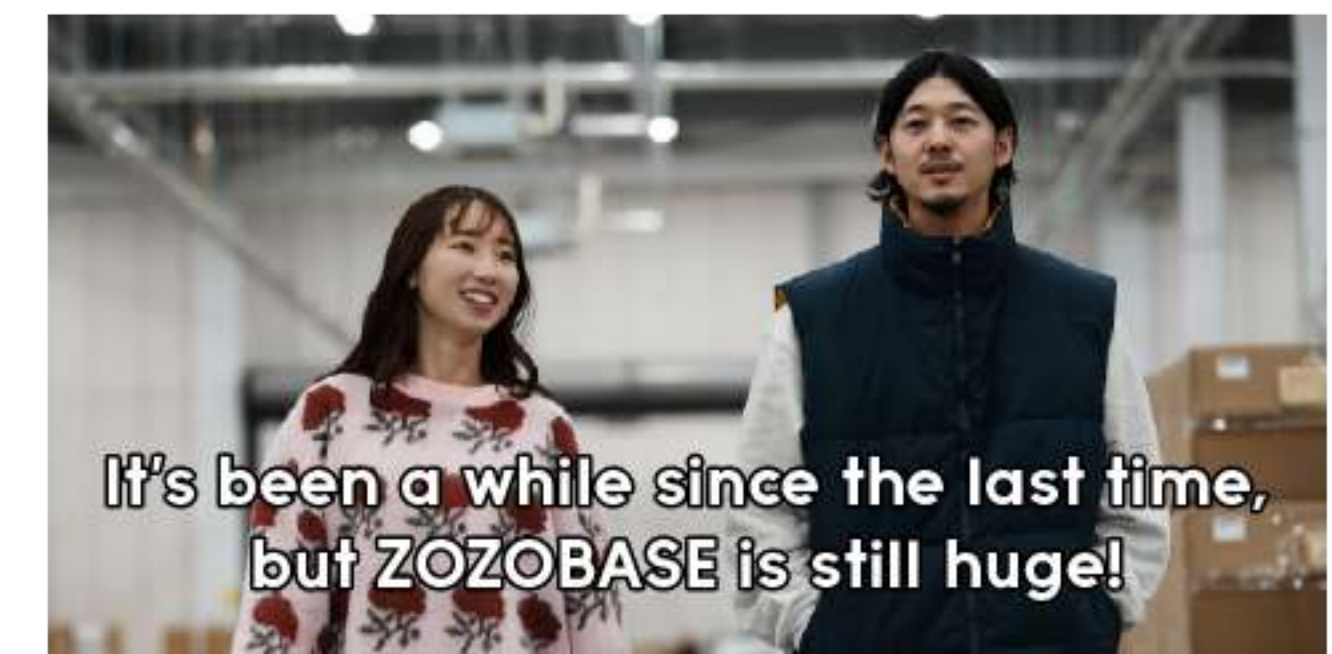
With pleasure, Riku!

60%



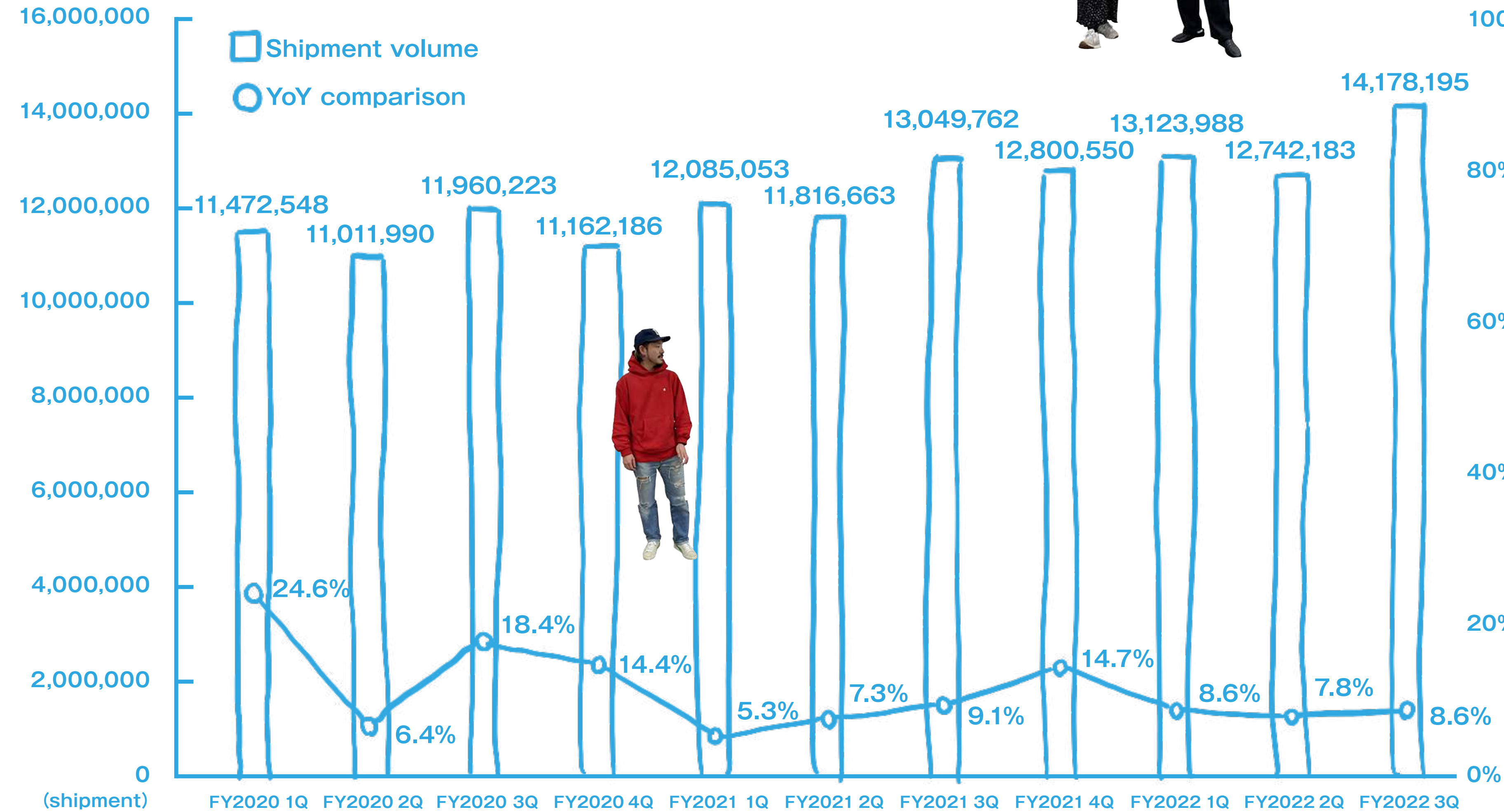
ZOZOSALE is going great, so this is really helpful.

20%



It's been a while since the last time, but ZOZOBASE is still huge!

29



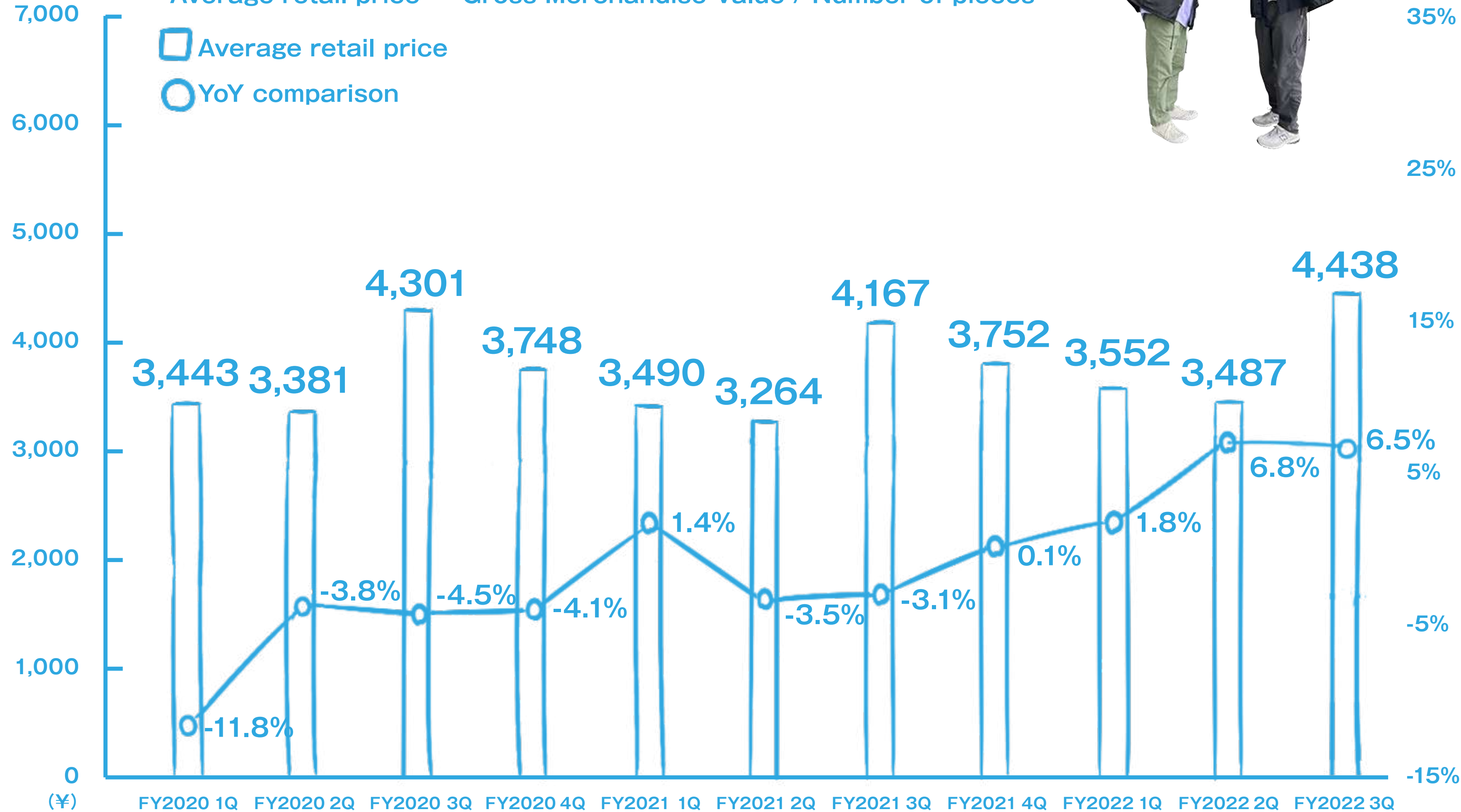
* The results are only from the ZOZOTOWN business (<https://zozo.jp>). Yahoo! JAPAN Shopping is not included.

* PayPay Mall was integrated with Yahoo! JAPAN Shopping in October 2022.

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

AVERAGE RETAIL PRICE

Average retail price = Gross Merchandise Value / Number of pieces



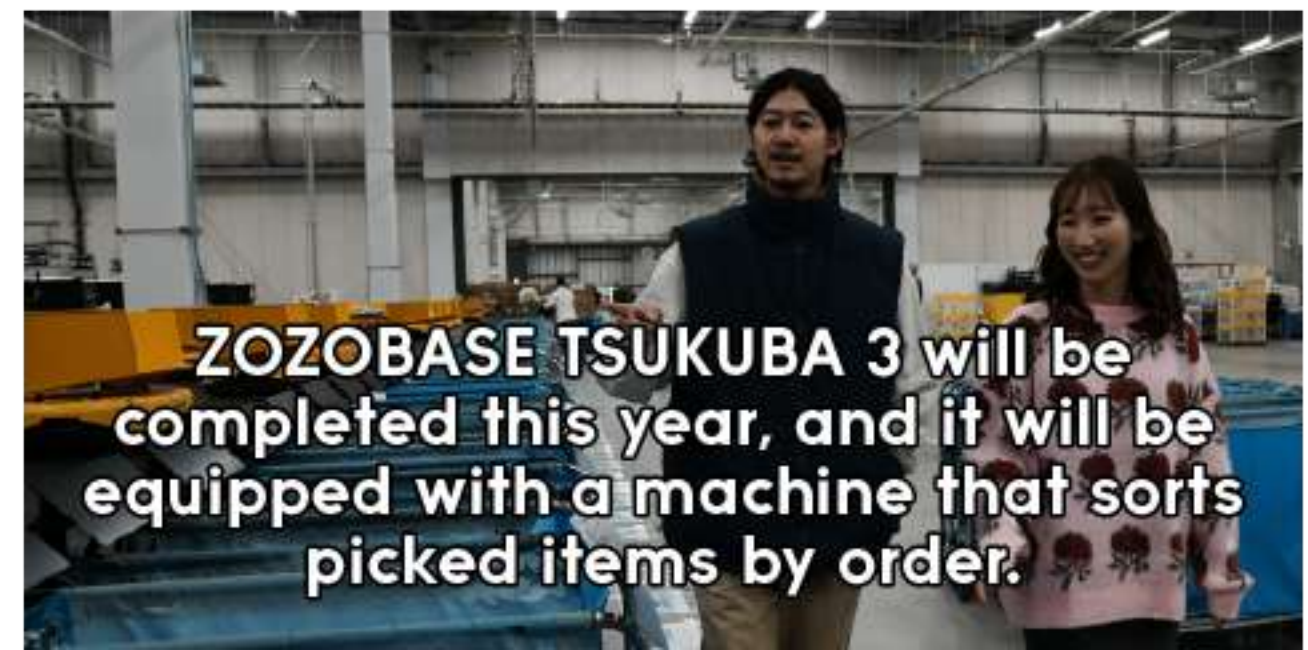
We have ZOZOBASE in Tsukuba, too. I hope to visit there soon!



So this is the t-Sort machine!



It's become incredibly convenient to be able to automatically sort received items by item type. I heard this machine moves more than 10 kilometers a day.



ZOZOBASE TSUKUBA 3 will be completed this year, and it will be equipped with a machine that sorts picked items by order.

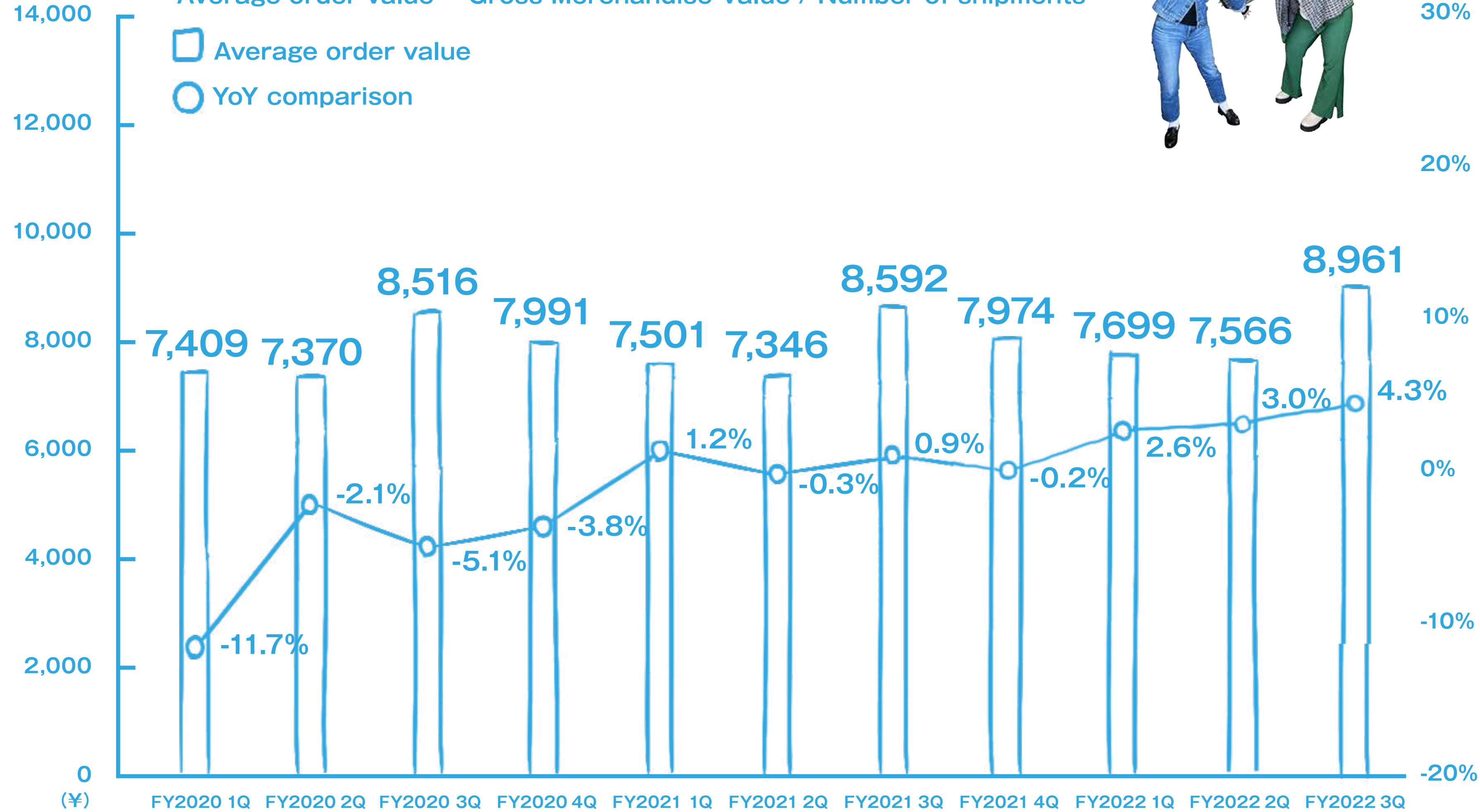
* The results are only from the ZOZOTOWN business (<https://zozo.jp>). Yahoo! JAPAN Shopping is not included.

* PayPay Mall was integrated with Yahoo! JAPAN Shopping in October 2022.

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

AVERAGE ORDER VALUE

Average order value = Gross Merchandise Value / Number of shipments



* The results are only from the ZOZOTOWN business (<https://zozo.jp>). Yahoo! JAPAN Shopping is not included.

* PayPay Mall was integrated with Yahoo! JAPAN Shopping in October 2022.

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

BUSINESS PLAN FOR FY2022

FY2022 3Q ZOZO, Inc. CONSOLIDATED BUSINESS RESULTS



CONSOLIDATED BUSINESS FORECAST AND DIVIDEND FORECAST FOR FY2022

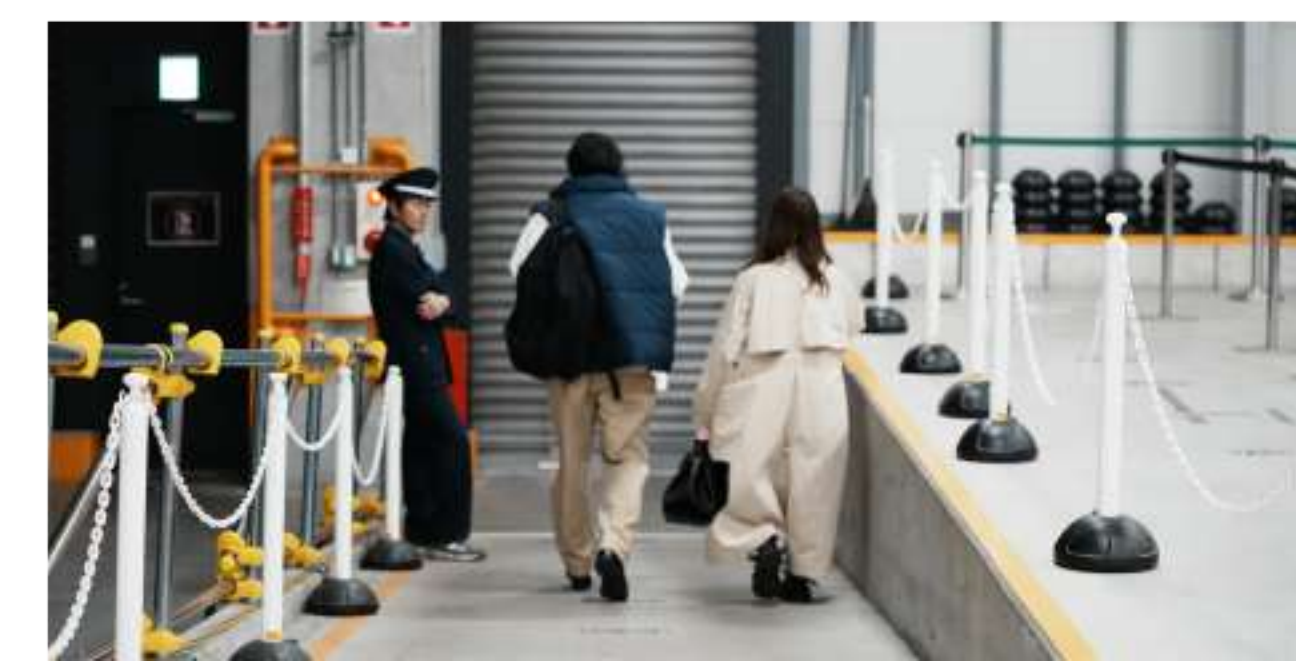
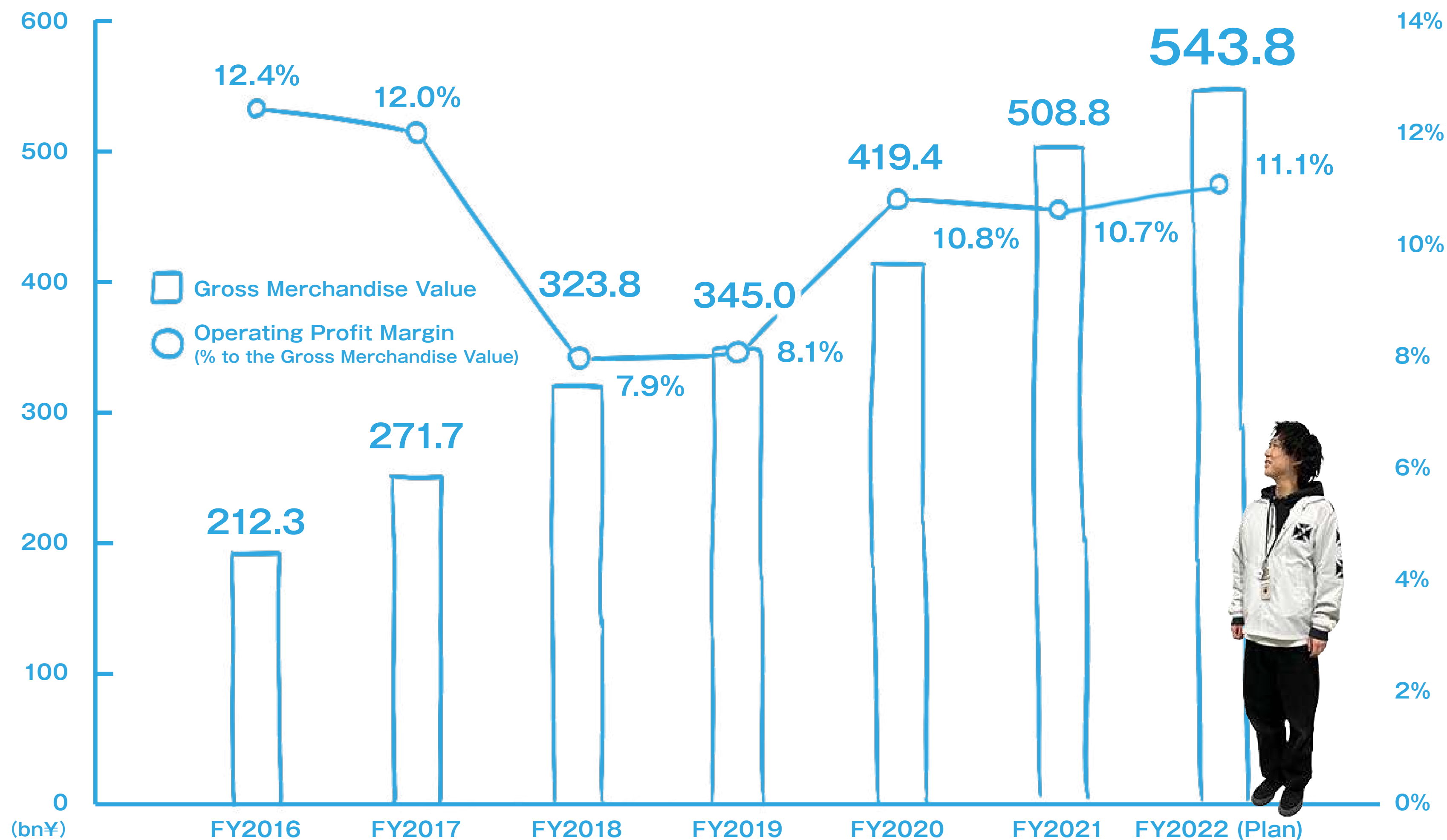
| | FY2022 Plan (Revised on January 31, 2023) | YoY |
|---|--|-------|
| Gross Merchandise Value | 543.8 billion yen | 6.9% |
| Gross Merchandise Value (excluding other GMV) | 495.8 billion yen | 7.3% |
| Net sales | 181.3 billion yen | 9.1% |
| Operating profit | 55.0 billion yen | 10.8% |
| Operating Profit Margin (% to the Gross Merchandise Value) | 11.1% | — |
| Ordinary profit | 55.2 billion yen | 11.2% |
| Profit attributable to owners of parent | 38.4 billion yen | 11.3% |
| Net profit per share | 128.07 yen | — |
| Estimated dividends per share (Plan) | 65 yen | — |

* Operating profit margin is calculated by operating profit divided by gross merchandise value (excluding other GMV).

* Please note that the "Notice concerning revision of consolidated business forecast and year-end dividend" was released on January 31, 2023. The figures mentioned above reflect these revisions.



GROSS MERCHANDISE VALUE & OPERATING PROFIT MARGIN



* Operating profit margins are calculated by operating profit divided by gross merchandise value (excluding other GMV).
 * Please note that the "Notice concerning revision of consolidated business forecast and year-end dividend" was released on January 31, 2023. The figures mentioned above reflect these revisions.

REFERENCE DATA

FY2022 3Q ZOZO, Inc. CONSOLIDATED BUSINESS RESULTS



Has the ZOZOBUS just left now?



You should have come 2 minutes earlier.



You might have to wait for a while.



It seems the next bus is delayed.



While waiting for the next bus,



why don't you guys go to the beach?



It's a bit lonely to go to the beach alone.



If it's a little chilly...



maybe you will hold...hands!



Hehe...Here's to youth!

STATISTICS OF ZOZO

EMPLOYEES

1,513

(Average age 33.2 years old)

SHAREHOLDERS

12,217

NUMBER OF BRANDS HANDLED

8,545

ZOZOTOWN TOTAL BUYERS (1 year basis)

11.2 million



MAJOR SERVICES



ZOZOTOWN Japan's Largest Online Retailer of Apparel and Accessories

- 1,554 stores offering 8,545 brands.
- At any given time, more than 900,000 items are available with an average of 2,600 new items added everyday.
- Systems, design, to fulfillment, all functions are built in house.
- Same-day delivery service/Gift-wrapping service/Deferred payment etc.
- Opened ZOZOTOWN shop on Yahoo! JAPAN Shopping* which is operated by Yahoo Japan Corporation.



WEAR Japan's largest outfit posting app

- Users can post their outfits, or search from posted outfits, including various filtering options.
- Official users who are called WEARISTAs, include popular models, singers, actors and actresses.
- Over 16.0 million downloads
- Now available in all geographic areas.



* PayPay Mall was integrated with Yahoo! JAPAN Shopping in October 2022.



I didn't know there was such a beautiful place.

DIFFERENCES BETWEEN ZOZOTOWN AND ZOZOTOWN SHOP ON Yahoo! JAPAN Shopping*



| | ZOZOTOWN | ZOZOTOWN Yahoo! JAPAN Shopping* Shop |
|-----------------------------------|--|--|
| Overview | One of the largest fashion e-commerce sites in Japan providing original services specialized in fashion | E-commerce site for wide range of users also expecting cross-category shopping other than the fashion category |
| Number of shops | 1,554 (As of December 31, 2022) | 1,420 (As of December 31, 2022) |
| Selling items | Full line-up | Freely selected by each shop |
| Detail of consignment | All the operations needed for EC business such as shooting, measurement, logistics, customer support, operation support etc. | Same as the left |
| Original services provided | Deferred payment, ZOZO Trade-in, same-day delivery, preorder, ZOZOCARD, brand coupons, gift-wrapping service, image search function, ZOZOMAT, ZOZOGLASS etc. | Brand coupons, same-day delivery, preorder |
| Payment methods | Credit cards, cash on delivery, convenience store payment, deferred payment, LINE Pay, PayPay | PayPay, credit cards, cash on delivery |
| Reward points | No ZOZO point of 5% of product price (excluding tax) will be granted only for ZOZOCARD | PayPay points based on PayPay campaign |
| Revenue | Commission rate stipulated in each contract with brands | Same as the left (Commission rate is same as ZOZOTOWN) |
| | Shipping revenue from customers | 250 yen (including tax) |
| Expenses bear by ZOZO | Shop opening commission | No |
| | Payment collection commission | Yes |
| | Customer attraction cost | Yes |
| | Reward points cost | Yes |



* PayPay Mall was integrated with Yahoo! JAPAN Shopping in October 2022.

BUSINESS MODEL



ZOZOTOWN Business

○ Outright Purchase / Production & Sales

28 stores are operating on ZOZOTOWN.

In addition to purchasing inventory from brand manufacturers and selling them on ZOZOTOWN, it manufactures and sells merchandise by utilizing the planning abilities of influencers such as brand manufacturers, celebrities etc.
Sales = Gross merchandise value generated by each store*

○ Consignment Sales

We operate 1,526 shops as consignment businesses.

This business model allows us to carry a certain amount of products from the brands, while giving us low inventory risk.
Sales = Gross merchandise value of each store × commission rate*

○ USED Sales

We purchase used fashion products from our users, and resell them as a second-hand business.
Sales = Gross merchandise value*



Yahoo! JAPAN Shopping*

Opened ZOZOTOWN shop on Yahoo! JAPAN Shopping* which is operated by Yahoo Japan Corporation.
Sales = Gross merchandise value of each store × commission rate

BtoB Business

We help developing and operating online shop and logistics operations, etc., on behalf of some brands which have stores on ZOZOTOWN.

We currently provide back-end service to 37 stores.

- In the case of providing all services from website development and operation to logistics operations, etc.
Sales = Gross merchandise value of these online shop × Commission rate
- In the case of providing logistics operations service but not website development and operation services
Sales = Commission fee based on the number of shipments and items

Both of the above sales include other sales such as initial shop opening commission, shipping fee etc.

Advertising Business

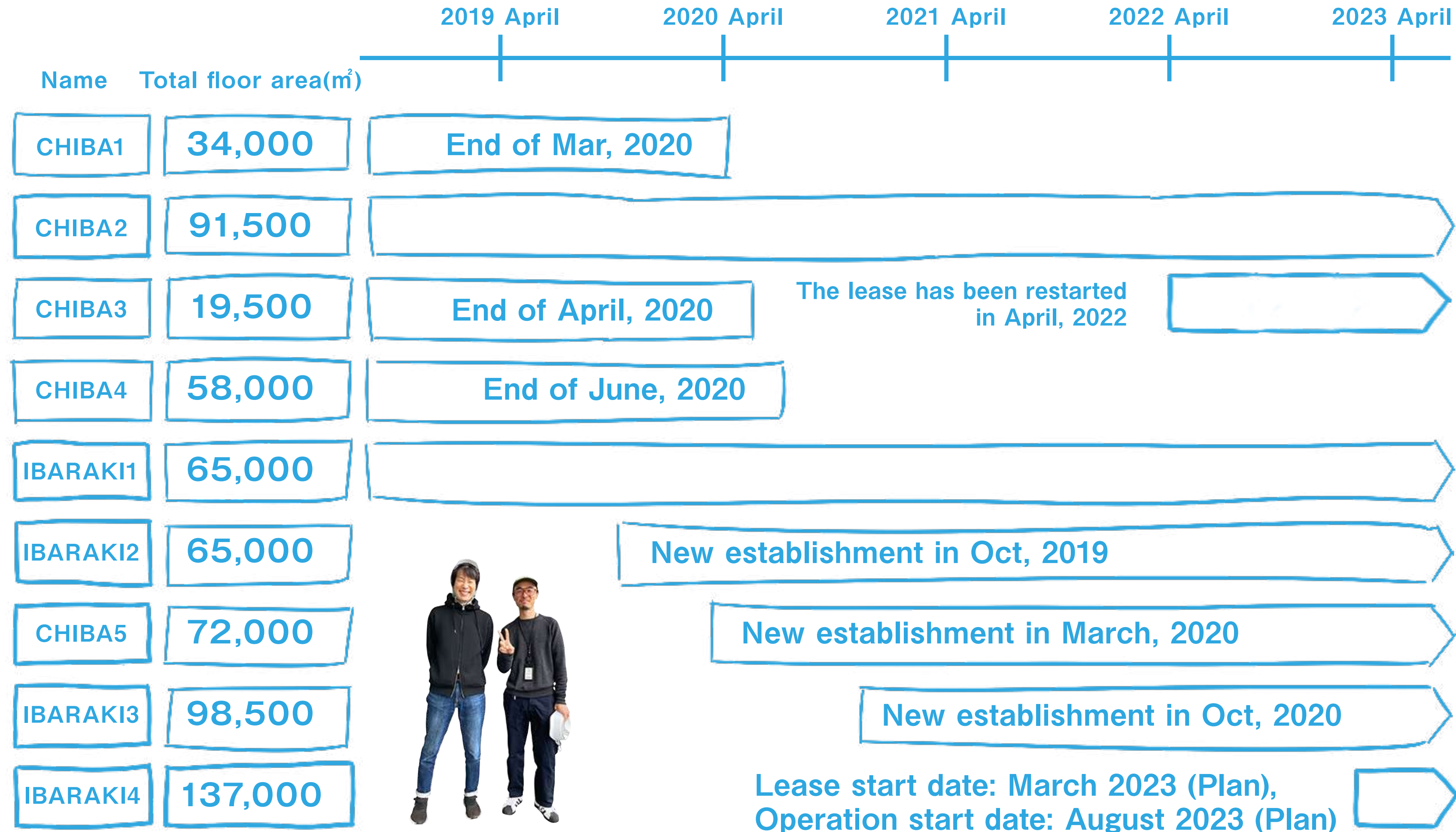
Advertising business will gain Advertising income from client companies including brands by providing Advertising spots utilizing the user base of ZOZOTOWN and WEAR.
Sales = Advertising income



* There are adjustments such as a reduction due to the adoption of the accounting standards for revenue recognition.

* PayPay Mall was integrated with Yahoo! JAPAN Shopping in October 2022.

LOGISTICS BASES EXPANSION PLAN



CHIBA2 and IBARAKI1 are warehouses with shipping function and IBARAKI4 will also have the function in the future.



APPENDIX

Introduction of the corporate website <https://corp.zozo.com/en>

The information below is available on our corporate website.

IR News ... The latest IR information is posted in a timely manner.

<https://corp.zozo.com/en/ir/>

Financial Highlights ... Past financial data is available. Data can be downloaded in excel format.

<https://corp.zozo.com/en/ir-info/financial-highlights/>

Integrated Report Portal ... We are disclosing integrated data on financial and non-financial information.

<https://corp.zozo.com/en/integratedreport/>

ESG/CSR ... We are introducing our initiatives on ESG/CSR

<https://corp.zozo.com/en/sustainability/>

Introduction of IR Mail

By registering your email address to our IR Mail, we will send you information pertain to our IR such as latest news releases. If you wish to register, please make access to the following link.

* News and information will be sent through the service provided by Magical Pocket Corporation.

IR Mail Subscription <https://corp.zozo.com/ir-info/mail-magazine/>



This is your precious thing, right?



I really appreciate it, Daitaku!



You are such a kind person.



This material has been created for
the sole purpose of introducing the company's business activities,
and not for soliciting investments.

The business forecasts and the future outlook described in the material
is based on information currently available.

The forecast includes uncertainties such as sudden changes,
therefore actual results may differ.





To be continued...

Postscript

Thank you for your continued support.

Which scene was your favorite in the third episode of "Romantic Nishi-Chiba"?

For me, I particularly enjoyed the scene where Daitaku puts his jacket on Hina's shoulders. I put a lot of "heart-throbbing" moments in this episode, and I'm sure many of you who enjoy dramas and girls' comics have seen similar situations before.

And the next episode is finally the last one! As the creator, I am curious to see how it all unfolds. I hope you will enjoy it!

Rena, Corporate Identity Office, ZOZO, Inc.



*Romantic
Nishi-Chiba*

— A story that can never be calculated —

Auditions for extras!

No way! We're looking for extras!

The romance never ends, even in the fourth quarter!



Please scan the 2D Code to confirm the application guidelines and other detailed information.

<https://forms.gle/XP3hXhZ7YL69U4w78>