

June 4, 2021

To our shareholders

Kentaro Kawabe
President and Representative Director, Co-CEO
Z Holdings Corporation
Stock Code: 4689

**Supplementary Explanation for Proposal 1 to Be Resolved at
the 26th Ordinary General Meeting of the Shareholders**

Z Holdings Corporation (hereinafter the “Company”) hereby presents a supplementary explanation regarding the Company’s Proposal 1 “Partial Amendments to the Articles of Incorporation¹” (hereinafter the “Proposal”) to be resolved at the 26th Ordinary General Meeting of the Shareholders, scheduled to be held on June 18, 2021 (Fri.).

We ask our shareholders to read the following when making decisions on their exercise of voting rights.

Last year, the Company held a hybrid online general meeting of shareholders, which allowed shareholders to exercise their voting rights and submit questions both in person at the venue and online. Many listed companies in Japan shortened the time of their general meetings of shareholders to prevent the spread of the new coronavirus last year. The Company also shortened the meeting time, and numerous questions were submitted both in person and online. In spite of the shortened meeting time, we have answered all of the questions submitted from the shareholders participating online in addition to the questions from the shareholders at the venue. In addition, we plan to disclose all questions submitted at this year’s general meeting of shareholders regarding the purpose of the meeting, on our corporate website.

Upon the approval of this Proposal, when we implement a fully online shareholders' meeting, we will use these experiences and measures to remove the obstacles such as travel time and cost that may hinder the shareholders from physically attending the meeting, and strive to make the dialogue with shareholders more meaningful by providing equal opportunities for every shareholder to participate in the meeting while improving the

¹ A proposal to amend the Articles of Incorporation to allow the Company to hold a fully online general meeting of shareholders, subject to the revision of the Act for Partially Amending the Industrial Competitiveness Enhancement Act and Other Related Acts, and on the condition that the Company receives confirmation from the Minister of Economy, Trade and Industry and the Minister of Justice that the Company's fully electronic shareholders' meeting, which contributes to the strengthening of industrial competitiveness while taking the interest of shareholders into consideration, meets the requirements specified in the Ordinance of the Ministry of Economy, Trade and Industry and the Ordinance of the Ministry of Justice.

convenience for our shareholders.

Please note that this Proposal is on the condition that the Company receives confirmation from the Minister of Economy, Trade and Industry and the Minister of Justice that the Company's fully electronic shareholders' meeting, which contributes to the strengthening of industrial competitiveness while taking the interest of shareholders into consideration, meets the requirements to be specified in the Ordinance of the Ministry of Economy, Trade and Industry and the Ordinance of the Ministry of Justice, which are scheduled to be issued after the establishment of the revised Act. Through such condition, we believe that the appropriateness of meaningful interaction between the shareholders and the management will also be adequately ensured.

The Z Holdings Group upholds "UPDATE THE WORLD – unleashing the infinite potential of all people with the power of information technology," as its mission. With respect to fully online shareholder meetings, we will take on this challenge as long as it contributes to realizing more meaningful dialogue with our shareholders and improving convenience for our shareholders, and we hope to be a pioneer in creating the future through information technology. We hope that you will support our efforts to use information technology to lead the way in solving social issues, not only in our business areas such as commerce, Internet advertising, communication, and financial services, but also in areas related to the operation of corporate organizations such as shareholder meetings.

Unless otherwise specified, English-language documents are prepared solely for the convenience of non-Japanese speakers. If there is any inconsistency between the English-language documents and the Japanese-language documents, the Japanese-language documents will prevail.