



August 3, 2022

To whom it may concern

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

**Introduction of a Stock-Based Remuneration Plan and
a Stock Delivery Plan (RSU Plan) Towards Officers and Employees**

Z Holdings Corporation (hereinafter the “Company”) hereby announces that it has today resolved to introduce a stock delivery plan, an RSU plan using stock delivery trusts towards the Company’s corporate officers and employees pursuant to Article 370 of the Companies Act of Japan and Article 25 of the Company’s Articles of Incorporation (a written resolution in lieu of a resolution passed at a board of directors meeting). Details are as follows.

The Company’s Board of Directors has also resolved today to introduce a stock delivery plan similar to the Company’s RSU plan (hereinafter collectively with the Company’s RSU plan, the “Stock Delivery Plan”) towards the corporate officers and employees of Yahoo Japan Corporation and LINE Corporation, major subsidiaries of the Company (hereinafter collectively the “Eligible Subsidiaries”) and officers and employees (collective term for directors, corporate officers and employees; hereinafter the same) of LINE Corporation’s subsidiaries (hereinafter collectively with the Company and Eligible Subsidiaries, the “Eligible Companies”).

In addition, as stated in the announcement “Introduction of Stock-Based Remuneration Plan (RSU Plan) for Directors,” dated May 17, 2022 (hereinafter the “May 2022 Announcement”), the Company’s Board of Directors resolved, on May 17, 2022, to introduce a stock-based remuneration plan for the directors of the Company. The Board of Directors resolved today that the Company will introduce a stock-based remuneration plan similar to the Company’s RSU plan (hereinafter collectively with the Company’s RSU plan, the “Stock-Based Remuneration Plan,” and the Stock-based Remuneration Plan and the Stock Delivery Plan, the “Plan”) towards the directors (excluding outside directors) of the Eligible Subsidiaries.

Please note that the Company has today resolved to issue new shares in connection with the introduction of the Plan, pursuant to Article 370 of the Companies Act of Japan and Article 25 of the Company’s Articles of Incorporation. For details on the issuance of new shares, please refer to “Issuance of New Shares by Third-Party Allotment in Connection with the Introduction of a Stock-Based Remuneration Plan and a Stock Delivery Plan for Officers and

Employees,” announced today.

I. Stock-Based Remuneration Plan

The overview and details of the Stock-Based Remuneration Plan is as stated in 1. Overview of the Plan and 2. Detail of the Plan in the May 2022 Announcement.

(Reference) Detail of the Stock-Based Remuneration Plan

(i)	Eligible persons	<ul style="list-style-type: none"> • The Company’s directors not serving on the Audit and Supervisory Committee (excluding outside directors) and the Company’s directors serving on the Audit and Supervisory Committee • Directors (excluding outside directors) of Yahoo Japan Corporation and LINE Corporation, major subsidiaries of the Company
(ii)	Purpose of trust	Provision of incentives to the eligible persons
(iii)	Settlor	The Company
(iv)	Trustee	Mitsubishi UFJ Trust and Banking Corporation (Co-trustee: The Master Trust Bank of Japan, Ltd.)
(v)	Beneficiaries	Eligible persons who meet the beneficiary requirements
(vi)	Trust agreement date	August 12, 2022 (Scheduled)
(vii)	Type of shares to be acquired	Company’s common shares
(viii)	Total value of shares to be acquired	JPY585,954,640
(ix)	Method of acquisition of shares	Acquisition of the Company’s shares through third-party allotment (Issuance of new shares)
(x)	Date of share acquisition	August 18, 2022 (scheduled)
(xi)	Exercise of voting rights of the shares in the trust	Not to be exercised

(Note) The scheduled dates mentioned above may be changed to an appropriate date in light of applicable laws and regulations.

II. Stock Delivery Plan

1. Purpose of the introduction of the Stock Delivery Plan

The Company has completed the business integration with LINE Corporation in March 2021 and is now steering a new course as the new Z Holdings. Going forward, the Company will continue to leverage the synergies of this business integration to update users’ daily lives, corporate activities, and society as a whole through information technology, with the aim of realizing a world in which people can be free and in control. In order to realize this mission and vision, the Company believes that it is essential to maximize individual and organizational performance by bringing together not only by the management team of the

Company, but also the officers and employees of the Group. From this perspective, by introducing the Stock Delivery Plan to the officers and employees of the Eligible Companies (hereinafter collectively, the “Eligible Persons”), the Company will build a system in which the officers and employees of the Eligible Companies will work together to continuously improve the corporate value of the Group.

2. Overview of the introduction of the Stock Delivery Plan

Through the stock delivery trust, officers and employees can receive economic benefits from an increase in the Company’s share price, which is expected to encourage them to perform their duties with an awareness of the share price and to motivate them to work harder.

The Eligible Companies will establish stock delivery trusts for the corporate officers and employees of the Eligible Companies by contributing funds for the acquisition of the Company’s shares, with the officers and employees of each Eligible Company who satisfy certain requirements as beneficiaries (hereinafter the “Trusts”). The Trusts will acquire in advance the number of the Company’s shares expected to be delivered to the Eligible Persons from the Company (through disposal of treasury stock or issuance of new shares) or the stock market, in accordance with the share delivery regulations established in each Eligible Company. Thereafter, the Trusts shall, in accordance with the share delivery regulations established in each Eligible Company, deliver and provide shares of the Company and an amount of money equivalent to the cash proceeds from the conversion of the Company shares according to the performance, etc. of the Eligible Persons during the trust period. The acquisition of the Company’s shares to be acquired by the Trusts will be funded by the Company or each Eligible Subsidiary, and therefore will not be borne by the Eligible Persons.

The Eligible Companies plan to continue to implement RSU plans of the same type as this Stock Delivery Plan after this fiscal year, and the details of each plan to be implemented in the next and subsequent fiscal years will be determined each time by a resolution of the Board of Directors at the Eligible Company.

(Reference) Details of the Stock Delivery Plan

		Trust I	Trust II	Trust III
(i)	Eligible Persons	Corporate officers and employees of the Company	Corporate officers and employees of Yahoo Japan Corporation	Executive officers and employees of LINE Corporation, and officers and employees of its subsidiaries

(ii)	Purpose of trust	Provision of incentives to the Eligible Persons		
(iii)	Settlor	The Company	LINE Corporation	
(iv)	Trustee	Mitsubishi UFJ Trust and Banking Corporation (Co-trustee: The Master Trust Bank of Japan, Ltd.)	Mizuho Trust & Banking Co., Ltd. (Re-trustee: Custody Bank of Japan, Ltd.)	
(v)	Beneficiaries	Eligible Persons who meet the beneficiary requirements		
(vi)	Trust agreement date	August 12, 2022 (Scheduled)		
(vii)	Type of shares to be acquired	Company's common shares		
(viii)	Total value of shares to be acquired	JPY169,967,510	JPY449,970,950	JPY2,439,960,820
(ix)	Method of share acquisition	To be acquired from the Company (Issuance of new shares through third-party allotment)		
(x)	Date of share acquisition	August 18, 2022 (Scheduled)		
(xi)	Exercise of voting rights of the shares in the trust	Not to be exercised		

(Note) The scheduled dates mentioned above may be changed to an appropriate date in light of applicable laws and regulations.

Disclaimer

This is an English translation of the captioned release. This translation is prepared and provided for the purpose of the reader's convenience. All readers are recommended to refer to the original version in Japanese of the release for complete information.