



April 28, 2023

To whom it may concern

Z Holdings Corporation
Takeshi Idezawa
President and Representative Director, CEO
Stock Code: 4689

**Determination of Details of Reorganization Based on the Policy of Merger
with Wholly Owned Subsidiaries, Change in Trade Name, and Partial
Amendments to the Articles of Incorporation (Trade Name/Business Purpose)**

As announced in "Decision on Merger Policy Among Z Holdings Corporation and Its Wholly Owned Subsidiaries, Mainly LINE Corporation and Yahoo Japan Corporation" dated February 2, 2023, Z Holdings Corporation (hereinafter the "Company") has decided on the same day, on a basic policy of implementing a merger by around the end of FY2023, mainly around the Company and its core wholly owned subsidiaries: LINE Corporation (hereinafter "LINE") and Yahoo Japan Corporation (hereinafter "Yahoo Japan"). Based on the said basic policy, the Board of Directors of the Company has resolved today the companies subject to the Group reorganization (hereinafter "Reorganization"), the scheduled timing of the conclusion of an agreement related to the Reorganization, and the scheduled completion date of the Reorganization (effective date). In relation to the Reorganization, the Board has also resolved to submit a proposal on the "Partial Amendments to the Articles of Incorporation" to the ordinary general meeting of shareholders scheduled to be held in June 2023 to change the trade name and the business purpose of the Company, as of the scheduled completion date of the Reorganization (effective date). Details are as follows.

1. Purpose of Reorganization, companies subject to the Reorganization and completion date

In October 2019, the Z Holdings Group transitioned to a holding company structure to enable flexible and expeditious decision-making, optimum distribution of business resources, and speedier implementation of business strategies in the rapidly evolving Internet industry. Subsequently, following the business integration with LINE in March 2021, the Company has selectively focused on key businesses of LINE and Yahoo Japan, and has prioritized the maximization of synergies from the business integration.

In the Board of Directors meeting held on February 2, 2023, the Company decided on a basic policy of implementing a merger by around the end of FY2023, mainly around the Company and its core wholly owned subsidiaries: LINE and Yahoo Japan in order to build an organizational

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structure that puts more emphasis on products, to accelerate the expansion of synergies from the business integration, and to obtain funds for investment that will support a sustainable profit growth from FY2023 onward and the creation of the future.

Based on the said basic policy, as of today, the Company decided the companies subject to the Reorganization; scheduled timing of conclusion of agreement and the scheduled completion date (effective date) related to the Reorganization. The Reorganization will fall under the so-called short-form reorganization, and it is assumed that it will not require the approval by a resolution of the Company's shareholders meeting.

[Companies subject to the Reorganization; timing of conclusion of agreement and completion date (effective date) related to the Reorganization]

Companies subject to the Reorganization (scheduled)	Z Holdings Corporation (surviving company), LINE, Yahoo Japan, Z Entertainment Corporation, Z Data Corporation *Please refer to attachment for outline of companies subject to the Reorganization
Schedule	Conclusion of agreement: July – August 2023 (scheduled) Completion date (effective date): October 1, 2023 (scheduled)

*Details other than the above will be announced as soon as they are determined.

2. Change in Trade Name and Partial Amendments to the Articles of Incorporation

(1) Reasons for change in trade name and partial amendments to the Articles of Incorporation

Article 1 (Trade name) and Article 2 (Purpose) of the current Articles of Incorporation will be amended in conjunction with the Reorganization as of October 1, 2023, the scheduled completion date (effective date) of the Reorganization. The Company's trade name will be changed to "LY Corporation" and the business purpose will be amended to suit the business purpose after the Reorganization. The partial amendments to the Articles of Incorporation are subject to approval of the proposal at the Ordinary General Meeting of the Shareholders scheduled to be held in June 2023.

(2) Trade name after the change in trade name

LINEヤフー株式会社 (English name: LY Corporation)

(3) Details of partial amendments to the Articles of Incorporation

Amendments are detailed as follows.

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(Underlined portions are to be amended)

Current Articles of Incorporation	Proposed amendments
<p>(Trade name)</p> <p>Article 1</p> <p>The name of the Company shall be "<u>Z Holdings Kabushiki Kaisha</u>," and the name in English shall be "<u>Z Holdings Corporation</u>."</p>	<p>(Trade name)</p> <p>Article 1</p> <p>The name of the Company shall be "<u>LINE ヤフー株式会社</u>," and the name in English shall be "<u>LY Corporation</u>."</p>
<p>(Purpose)</p> <p>Article 2 The purpose of the Company shall be to operate the following businesses.</p> <p>1. <Omitted></p> <p>2. Planning, development, design, manufacture, sales, rental, maintenance, management, and export and import of electrical communication facilities, computers, and their peripheral <u>and</u> related devices <u>and their</u> software</p> <p>3-7. <Omitted></p> <p>8. Acquisition and related management <u>and use</u> of copyrights and related rights, design rights, trademarks, and industrial property rights</p> <p>9. Collection, distribution, processing and sales of information, images and music based on communications systems and the sales of related devices and equipment</p> <p>10. Broadcasting, printing, translation, production and sales of video <u>and</u> music works</p> <p>11. Mail order <u>business</u></p> <p>12-13. <Omitted></p> <p>14. Planning and development of character merchandise (<u>images of persons, animals, etc. with unique names and traits</u>), and management, licensing and assignment and related intermediation and agency businesses of copyrights, design rights and trademarks</p>	<p>(Purpose)</p> <p>Article 2 The purpose of the Company shall be to operate the following businesses.</p> <p>1. <No change></p> <p>2. Planning, development, design, manufacture, <u>retention, installation</u>, sales, <u>intermediary</u>, rental, maintenance, <u>operation</u>, management, <u>installation support</u> and export and import of electrical communication facilities, computers, <u>information system/telecommunication network</u>, and their peripheral <u>devices/related devices/software</u></p> <p>3-7. <No change></p> <p>8. Acquisition, <u>sales, licensing</u> and related management <u>operations</u> of copyrights and related rights, design rights, trademarks, and industrial property rights</p> <p>9. Collection, distribution, processing, <u>provision</u> and sales of information, images and music based on communications systems and the sales of related devices and equipment.</p> <p>10. Broadcasting, printing, translation, production and sales of video/music works, <u>broadcasting programs/hours, etc.</u></p> <p>11. Mail order <u>sales/brokerage and establishment of Internet-based shopping malls</u></p> <p>12-13. <No change></p> <p>14. Planning, <u>design</u>, development, <u>manufacturing, production, sales and rental</u> of character merchandise, <u>game devices/software, toys/other play-related products, and various new products</u>, and management, licensing, assignment, <u>export/import</u></p>

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Current Articles of Incorporation	Proposed amendments
<p>15. Management consultancy</p> <p>16. Travel business</p> <p>17. Telecommunication business <u>under the Telecommunications Business Law</u></p> <p>18-20. <Omitted></p> <p>21. Planning, production and sales of master CDs, DVDs, music tapes, videos, etc.</p> <p>22. Sales of tickets to movies, concerts, plays, sports and other events</p> <p>23-30. <Omitted></p> <p>31. Planning and creation of Internet <u>Web pages</u></p> <p>32-40. <Omitted></p> <p>41. Non-life insurance and insurance agency business; auto insurance agency business based on Automobile Liability Insurance Act, and solicitation of life insurance</p> <p>42. All business related to business of issuing prepaid payment instrument and fund transfer service <u>based on the Payment Services Act</u></p> <p>43. All types of marketing</p> <p>44. Investment and investment advisory services</p>	<p>and related intermediation, agency businesses, and <u>sales research</u> of copyrights, design rights and trademarks</p> <p>15. Management consultancy <u>and subcontracting of management or management-related operations</u></p> <p>16. Travel business, <u>travel agency business, and arrangement of travel services</u></p> <p>17. Telecommunication business</p> <p>18-20. <No change></p> <p>21. Planning, production, sales and <u>rental</u> of master CDs, DVDs, music tapes, videos, etc.</p> <p>22. <u>Planning, production, operation, promotion, distribution, and sales</u> of tickets to movies, concerts, plays, sports and other events, <u>and equity investment and investment in production committees for movies, animation, dramas, etc.</u></p> <p>23-30. <No change></p> <p>31. Planning, <u>drafting, creation, maintenance, management, operation and sales</u> of Internet <u>webpages, and digital contents such as video/music/games/e-books (including distribution service)</u></p> <p>32-40. <No change></p> <p>41. Non-life insurance and insurance agency business; auto insurance agency business based on Automobile Liability Insurance Act; <u>solicitation, agency and mediation of small sum short-period insurance;</u> and solicitation of life insurance</p> <p>42. All business related to business of: <u>issuing, sales, management of e-payment systems for e-money, other e-currencies, and prepaid payment instrument; fund transfer service; and crypto-asset exchange service</u></p> <p>43. All types of marketing <u>and research business</u></p> <p>44. Investment and investment advisory services, <u>and businesses related to company mergers, business</u></p>

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Current Articles of Incorporation	Proposed amendments
<p><u>45. Event planning and related operations</u></p> <p><u>46-53.</u> <Omitted></p> <p><u>54.</u> General motor truck transportation and consigned freight transportation businesses</p> <p><u>55-56.</u> <Omitted></p> <p><u>57.</u> Trading, buying and selling, wholesale, agency and broker businesses related to the following goods, parts and raw materials</p> <p>(a)-(d) <Omitted> <Newly established></p> <p>(e) Sundries</p> <p><u>58-62.</u> <Omitted></p> <p><u>63.</u> Planning, design, building, operation and consultancy services for contact centers using telephones or other communications methods</p> <p><Newly established></p> <p>64-65. <Omitted></p>	<p><u>alliances, and acquisition, assignment, brokerage and arrangement of businesses, securities, or monetary claims</u></p> <p><Deleted></p> <p><u>45.-52.</u> <No change></p> <p><u>53.</u> General motor truck transportation, consigned freight transportation, <u>passenger transportation, and delivery agency businesses</u></p> <p><u>54-55.</u> <No change></p> <p><u>56.</u> Trading, buying and selling, wholesale, agency and broker businesses related to the following goods, parts and raw materials</p> <p>(a)-(d) <No change></p> <p>(e) <u>Watches, jewelry</u></p> <p>(f) Sundries</p> <p><u>57-61.</u> <No change></p> <p><u>62.</u> Planning, design, building, operation, <u>provision,</u> and consultancy services for contact centers using telephones or other communications methods <u>and outsourced landline calling and reception business</u></p> <p><u>63.</u> <u>Research, planning, and provision of solutions for government, local governments, and other corporate clients</u></p> <p>64-65. <No change></p>

(4) Schedule of changes in trade name and Articles of Incorporation

Date of the Ordinary General Meeting of the Shareholders for the changes in trade name and the Articles of Incorporation June 2023 (Scheduled)

Effective date of the changes in trade name and the Articles of Incorporation October 1, 2023 (Scheduled)

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(Attachment) Outline of the companies subject to the Reorganization

(As of March 31, 2023*)

(1)	Name	Z Holdings Corporation	LINE Corporation	Yahoo Japan Corporation
(2)	Location of head office	1-3 Kioicho, Chiyoda-ku, Tokyo, Japan	1-6-1 Yotsuya, Shinjuku-ku, Tokyo, Japan	1-3 Kioicho, Chiyoda-ku, Tokyo, Japan
(3)	Name and title of representative	President and Representative Director, Co-CEO Kentaro Kawabe Representative Director, Co-CEO Takeshi Idezawa	President and Representative Director, Takeshi Idezawa	President and Representative Director, Takao Ozawa
(4)	Main business	Managing of group companies and businesses incidental thereto	Advertising service based on the mobile messenger application "LINE," core businesses including the sales of stamp and game services, and strategic businesses including Fintech, AI and commerce service	e-Commerce business Members services business Internet advertising business Other businesses
(5)	Paid-in capital	JPY247,094 million	JPY34,201 million	JPY300 million
(6)	Establishment	January 31, 1996	December 13, 2019	May 10, 2019
(7)	No. of shares issued	7,633,501,686 shares	240,960,343 shares	7,970,000 shares
(8)	Fiscal year end	March 31	March 31	March 31
(9)	Major shareholders and shareholding ratio	A Holdings Corporation 63.6% The Master Trust Bank of Japan, Ltd. (Trust Account) 5.9% Custody Bank of Japan, Ltd. (Trust account) 2.2% Z Holdings Corporation 1.3%	Z Intermediate Holdings Corporation 100%	Z Intermediate Holdings Corporation 100%
(10)	Performance and financial position in the immediately preceding fiscal year (JPY Million, unless otherwise specified)			
	Fiscal year	Fiscal year ended March 31, 2023 (Consolidated)	Fiscal year ended March 31, 2022 (Non-consolidated)	Fiscal year ended March 31, 2022 (Non-consolidated)
	Total equity/net assets	3,317,900	162,212	581,392
	Total assets	8,588,722	482,124	1,236,027

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Equity attributable to owners of the parent per share/net assets per share	JPY389.43	JPY673.19	JPY72,947.62
Revenue	1,672,377	247,506	517,671
Operating income	314,533	16,925	80,177
Ordinary income	—	17,643	89,469
Net income attributable to owners of the parent/net income	178,868	2,695	71,917
Basic earnings per share/net income per share	JPY23.87	JPY11.18	JPY9,023.49

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(1)	Name	Z Entertainment Corporation	Z Data Corporation
(2)	Location of head office	1-3 Kioicho, Chiyoda-ku, Tokyo, Japan	1-3 Kioicho, Chiyoda-ku, Tokyo, Japan
(3)	Name and title of representative	President and Representative Director, CPO Jun Masuda	President and Representative Director Kiyoshi Sasaki
(4)	Main business	Advertising business, subscription business, members services business, etc.	Promotion of data use/application at each Z Holdings Group company
(5)	Paid-in capital	JPY100 million	JPY100 million
(6)	Establishment	March 15, 2019	April 24, 2019
(7)	No. of shares issued	505 shares	16,010 shares
(8)	Fiscal year end	March 31	March 31
(9)	Major shareholders and shareholding ratio	Z Holdings Corporation 100%	Z Holdings Corporation 100%
(10)	Performance and financial position in the immediately preceding fiscal year (JPY Million, unless otherwise specified)		
	Fiscal year	Fiscal year ended March 31, 2022 (Non-consolidated)	<Reference> April 1, 2021 to March 31, 2022
			Fiscal year ended March 31, 2022 (Non-consolidated)
	Total equity/net assets	1,380	0
	Total assets	11,355	0
	Equity attributable to owners of the parent per share/net assets per share	JPY2,734,402.7	JPY40,316.40
	Revenue	1,028	8,631
	Operating income	-2,657	1,559
	Ordinary income	-2,860	1,848
	Net income attributable to owners of the	-1,985	1,280

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parent/net income			
Basic earnings per share/net income per share	—JPY3,932,560.78	JPY5,034,666.50	—JPY5,217.60

*The figures for the non-consolidated financial performance of LINE Corporation, Yahoo Japan Corporation, Z Entertainment Corporation, and Z Data Corporation are all for the fiscal year ended March 31, 2022. The figures for Z Entertainment Corporation are for the period from January 1, 2022 to March 31, 2022, due to the change in the fiscal year end. For your reference, the financial position and business performance for the period from April 1, 2021 to March 31, 2022 are also partially shown. Please note that Z Data Corporation began its business from April 1, 2022.

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