



June 29, 2023

To whom it may concern

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

**Progress Status Based on
 the Plan to Meet the Continued Listing Requirements**

On December 3, 2021, Z Holdings Corporation (hereinafter “Company”) submitted and announced its plan to meet the continued listing requirements of the Prime Market of the Tokyo Stock Exchange. As of March 31, 2023, the Company's progress status based on the plan is as follows.

1. Change in the status of the Company's compliance with the continued listing requirements and target period

The Company's compliance with the continued listing requirements for the Prime Market as of March 31, 2023, including the change thereof, is as detailed below. The Company will continue to take measures noted in "2. Status and evaluation of measures that have been taken to meet the continued listing requirements" below, to meet the continued listing requirements for the tradable share ratio.

		No. of Shareholders	No. of Tradable Shares (Units)	Tradable Share Market Cap	Tradable Share Ratio	Daily Average Trading Value
Company's status and change thereof	As of June 30, 2021	—	—	—	33.9%	—
	As of March 31, 2023	—	—	—	33.8%	—
Continued listing requirements		800	20,000	JPY10.0 B	35%	JPY 20 mil
Compliance status as of March 31, 2023		Compliant	Compliant	Compliant	Not compliant	Compliant
Target period noted in the initial plan		—	—	—	By March 31, 2024	—

*The Company's status mentioned above is calculated based on the information of distribution of the Company's share certificates, etc., available to Tokyo Stock Exchange, Inc. as of the base date. The daily average trading value is determined by dividing the total trading value during the trading sessions of the Tokyo Stock Exchange from January to December 2022 by the total number of days (excluding holidays) during the said period.

2. Status and evaluation of measures that have been taken to meet the continued listing requirements

In the announcement, "Application to Select Prime Market in the New Market Segments and Submission of Plan to Meet the Continued Listing Requirements," dated December 3, 2021, the Company announced that it will aim to meet the continued listing requirements of the Prime Market by raising the tradable share ratio through the following: the Company will acquire a portion of the Company's common stock owned by the parent company, A Holdings Corporation (hereinafter "A Holdings"), through tender offer (hereinafter the "Tender Offer") and will dispose of the shares of common stock acquired through the Tender Offer upon exercise of stock acquisition rights with a clause to revise the exercise price (hereinafter the "Stock Acquisition Rights") issued by the Company. In addition to the disposal, a portion of the treasury stock will be cancelled, subject to the completion of the Tender Offer. (hereinafter the "Cancellation of Treasury Stock").

In accordance with the plan mentioned above, the Company conducted the Tender Offer from December 10, 2021, and acquired 103,000,000 shares of the Company's common stock from A Holdings, and on January 14, 2022, the Company issued 103,000 units of Stock Acquisition Rights to BofA Securities Japan Co., Ltd. (hereinafter "BofA Securities") for the same number of the Company's common stock acquired through the Tender Offer. On February 14, 2022, 60,172,034 shares of the Company's common stock were cancelled as a result of the Cancellation of Treasury Stock.

As of March 31, 2023, BofA Securities has not exercised the Stock Acquisition Rights, and despite the Cancellation of Treasury Stock, the Company continues to fail to meet the continued listing requirements in the Prime Market with respect to the tradable share ratio.

3. Issues and measures to be taken on the item that fails to meet the continued listing requirement

As stated in "2. Status and evaluation of measures that have been taken to meet the continued listing requirements," noted above, the Stock Acquisition Rights currently have not been exercised by BofA Securities. The Company believes that the current approach using the Stock Acquisition Rights remains the best way to increase the tradable share ratio without damaging the shareholder value. Since the exercise period of the Stock Acquisition Rights has not yet expired, there are no changes to the Company's plan at this time.

In order to maximize the corporate value of the Z Holdings Group, the Company will strive to improve its stock price and promote the exercise of the Stock Acquisition Rights by focusing

on generating synergies within the Group and differentiating itself from the competitors.
In the event that the Company is unable to meet the continued listing requirement even with the continuation of the abovementioned efforts, the Company will consider and disclose new efforts, etc., as necessary.

Disclaimer

This is an English translation of the 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.