

Z Holdings Corporation Business Results

FY2023 Q1 Appendix

August 3, 2023

Z HOLDINGS

FY2023 Q1 Consolidated Business Results



(JPY B)

	FY2023 Q1	YoY Difference	YoY	Major Factors of Change ¹ (JPY B)	
Revenue	430.5	+39.9	+10.2%	<ul style="list-style-type: none"> • PayPay (Consolidated)² +34.0 • ZOZO (Consolidated) +3.2 	<ul style="list-style-type: none"> • ASKUL (Consolidated) +4.4 • LINE (Consolidated) +2.3
Cost of sales	127.6	+5.4	+4.4%	<ul style="list-style-type: none"> • ASKUL (Consolidated) +3.5 	<ul style="list-style-type: none"> • LINE (Consolidated) +2.7
SG&A	253.9	+35.3	+16.2%	<ul style="list-style-type: none"> • PayPay (Consolidated)² +37.5 	<ul style="list-style-type: none"> • Yahoo Japan -6.6
(Major items)					
Personnel expense	68.6	+8.2	+13.7%	<ul style="list-style-type: none"> • LINE (Consolidated) +2.6 	<ul style="list-style-type: none"> • Yahoo Japan -1.1
Depreciation and amortization	39.1	+4.7	+13.9%	<ul style="list-style-type: none"> • LINE (Consolidated) +1.2 	<ul style="list-style-type: none"> • Yahoo Japan -0.4
Business commissions	30.7	+0.7	+2.6%	<ul style="list-style-type: none"> • LINE (Consolidated) -2.7 	<ul style="list-style-type: none"> • Yahoo Japan -1.5
Sales promotion cost	27.0	-2.8	-9.5%	<ul style="list-style-type: none"> • Yahoo Japan -9.6 	<ul style="list-style-type: none"> • LINE (Consolidated) -1.3
Other income & expenses	10.4	+10.4	N/A		
Operating income	59.3	+9.6	+19.5%		

1. Figures in "Major Factors of Change" are figures after consolidation adjustments.

2. Compared PayPay Card Corporation's non-consolidated figure for FY2022 Q1 with PayPay Corporation (Consolidated) figure for FY2023 Q1 which includes PayPay Corporation and PayPay Card Corporation after eliminating the internal transactions between the two companies.

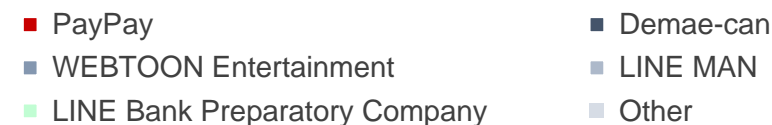
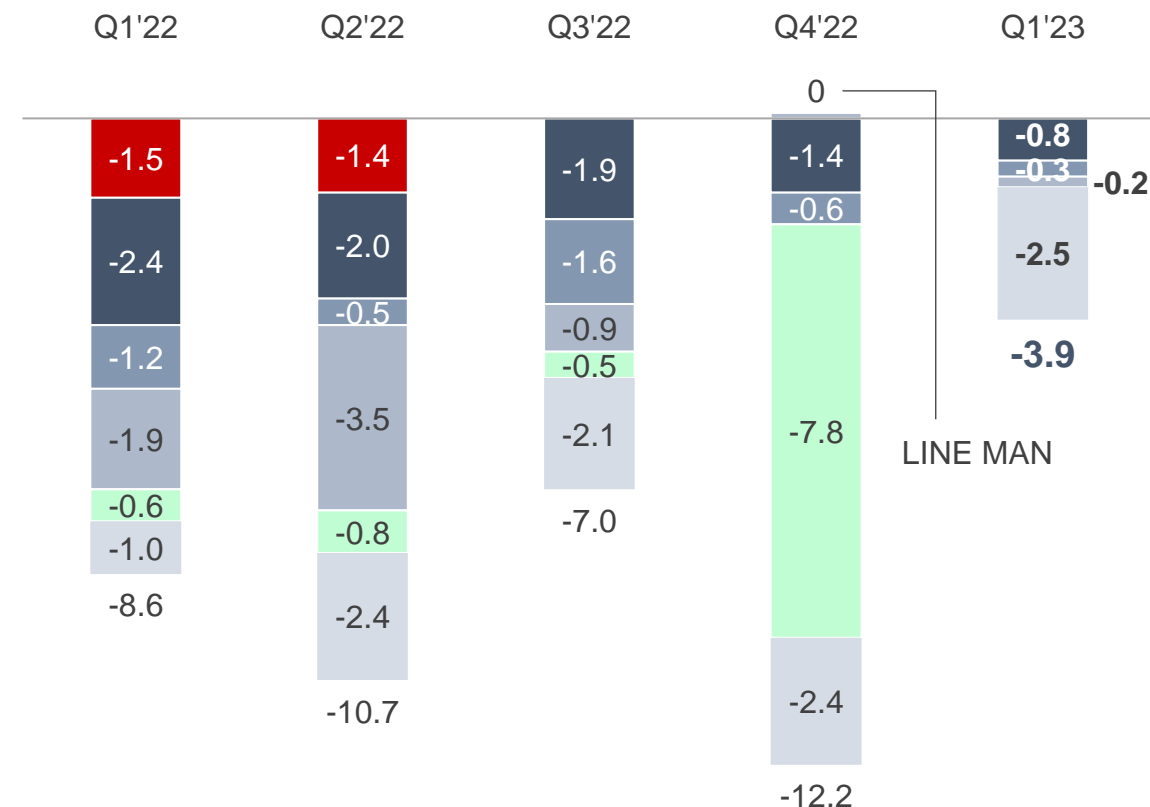
(JPY B)

	FY2023 Q1	YoY Difference	YoY	Major Factors of Change (JPY B)
Operating income	59.3	+9.6	+19.5%	
Other non-operating income	23.8	+16.1	+209.2%	• Gain on change in equity interest +14.9
Other non-operating expenses	6.1	+2.6	+74.4%	
Equity in losses of associates and joint ventures	-3.9	+4.7	N/A	• LINE (Consolidated) +3.5 (LINE MAN +1.7, Demae-can +1.6) • PayPay +1.5
Profit before tax	73.1	+27.9	+61.9%	
Income tax expense	32.6	+17.3	+113.0%	
Profit for the period	40.5	+10.6	+35.6%	
Non-controlling interests	3.1	-1.4	-31.3%	• Impact of PayPay Consolidation
Net income attributable to owners of the parent	37.3	+12.0	+47.9%	

Major Equity-Method Affiliates	Based in	Equity Ratio ¹	Business
Content			
WEBTOON Entertainment	<i>U.S.</i>	28.7%	• Operation of e-manga services
Commerce			
Demae-can	<i>Japan</i>	38.4%	• Operation of website specializing in home delivery
LINE MAN	<i>Thailand</i>	43.3%	• Provision of home delivery/mail/taxi dispatch services, etc.
Payment/Finance			
Kashikorn LINE Company	<i>Thailand</i>	49.9%	• Pure Internet bank
LINE Bank Taiwan	<i>Taiwan</i>	49.9%	• Pure Internet bank
PT. Bank KEB Hana Indonesia	<i>Indonesia</i>	20.0%	• Pure Internet bank

Equity in Losses of Associates and Joint Ventures

(JPY B)



1. As of June 30, 2023

- Many of the equity-method affiliates are moving into a **monetizing phase from FY2023.**
- Aim to turn LINE’s international/financial businesses **profitable in around FY2023-FY2025.**

Demaecan



M LINEMAN wongnai

LINE Bank

(Taiwan)

LINE BK

(Thailand)

LINE Bank
by KEB Hana Bank

(Indonesia)

Market Share

- No. of app downloads¹: **No. 1**
- Vertical scrolling manga (world ranking)²: **No. 1**

-

-

-

-

KPI

- FY22 transaction value: **JPY220.1 B (YoY +35%)**

- No. of monthly users²: **89 million**
- Cumulative downloads²: **Over 200 million**

- FY2022 transaction value: **YoY +30%**

- No. of users³: **1.57 million**

- No. of users³: **5.72 million**
- Loan balance³: **Approx. JPY71.3 B**

- No. of users³: **620,000**

1. Survey by data.ai. No. of app downloads in “Food & Drink” category ranked by market in 2022.

2. Figures for WEBTOON Worldwide Service (An alliance of platforms centered on e-comics, with services offered worldwide in 10 languages). Major platforms include: LINE Manga, WEBTOON, NAVER WEBTOON, LINE WEBTOON.

3. As of June 30, 2023

Impact from Consolidation of Subsidiaries (PPA)

Whole Group

LINE

Item	Amount (JPY B)	Annual Amortization Amount (JPY B)	Amortization Period (Straight Line)
PPA	394.4	13.7	-
Technology	2.2	-	8 years
Customer base	17.6	-	12 years
Customer relationship (Advertisers)	214.4	-	18 years
Trademarks ¹	160.1	-	No amortization

ZOZO

Item	Amount (JPY B)	Annual Amortization Amount (JPY B)	Amortization Period (Straight Line)
PPA	502.1	13.2	-
Customer base (Shops/users)	322.0	-	18-25 years
Trademarks ¹	178.7	-	No amortization
Others	1.4	-	4 years

PayPay

Item	Amount (JPY B)	Annual Amortization Amount (JPY B)	Amortization Period (Straight Line)
PPA	51.3	5.1	-
Customer relationship (Merchants, etc.)	51.3	5.1	10 years

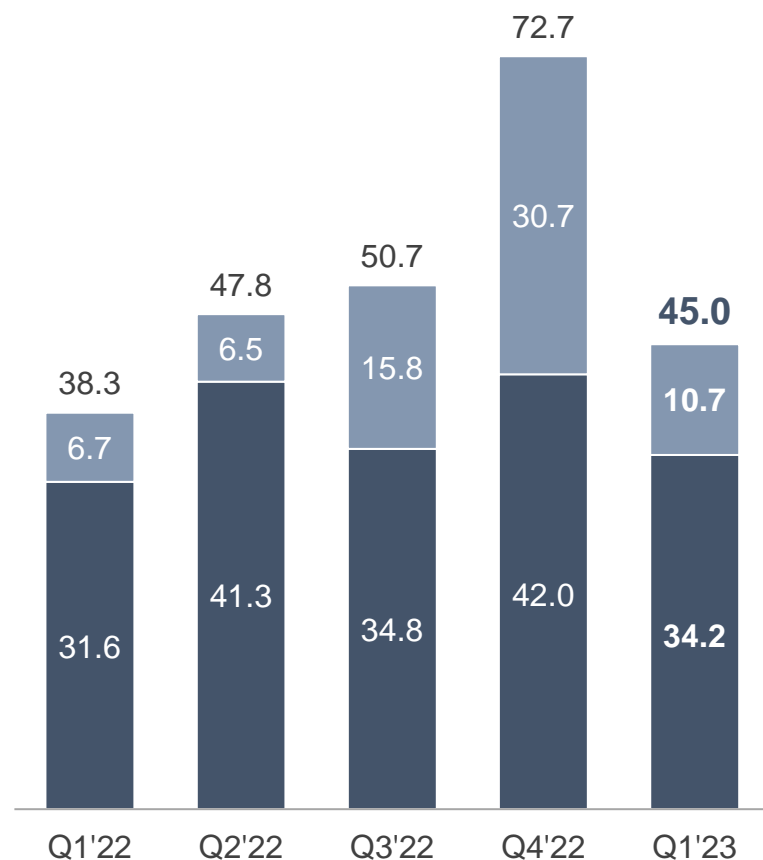
1. Indefinite-lived intangibles

(JPY B)

	FY2022 Q4	FY2023 Q1	Difference
Assets	8,588.7	8,450.1	-138.5
Cash and cash equivalents	1,651.8	1,415.6	-236.1
Trade and other receivables	623.3	571.2	-52.0
Loans in credit card business	593.0	625.8	+32.7
Investment securities in banking business	414.7	459.3	+44.6
Property and equipment	213.8	221.3	+7.5
Intangible assets	1,267.7	1,271.4	+3.7
Liabilities	5,270.8	5,111.7	-159.0
Trade and other payables	1,351.7	1,258.0	-93.7
Customer deposit in banking business	1,495.6	1,558.3	+62.7
Interest-bearing liabilities	1,913.7	1,808.6	-105.1
Equity	3,317.9	3,338.3	+20.4

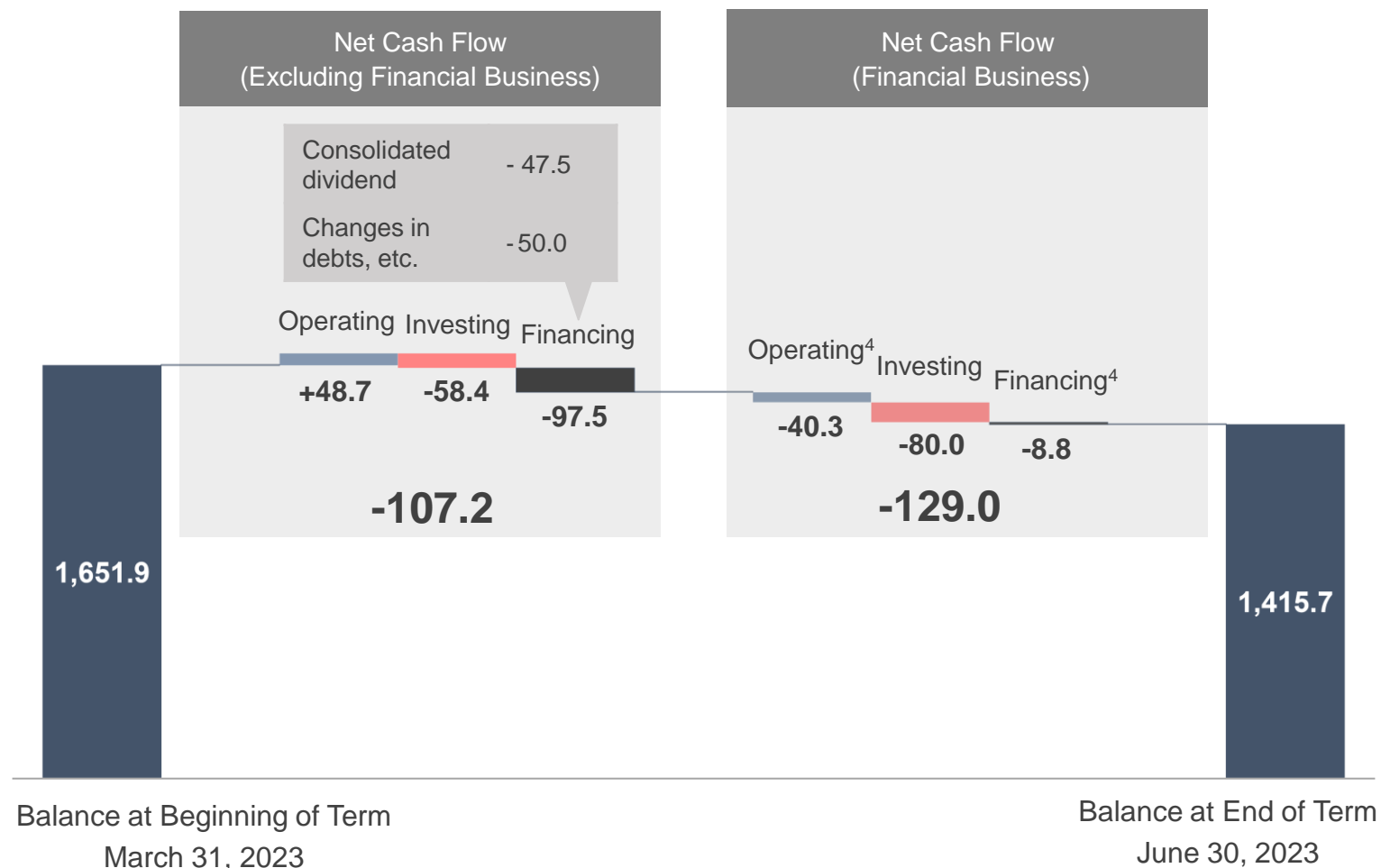
CAPEX^{1,2}

(JPY B)



Net Cash Flow (Excluding Financial Business³/Financial Business)¹

(JPY B)

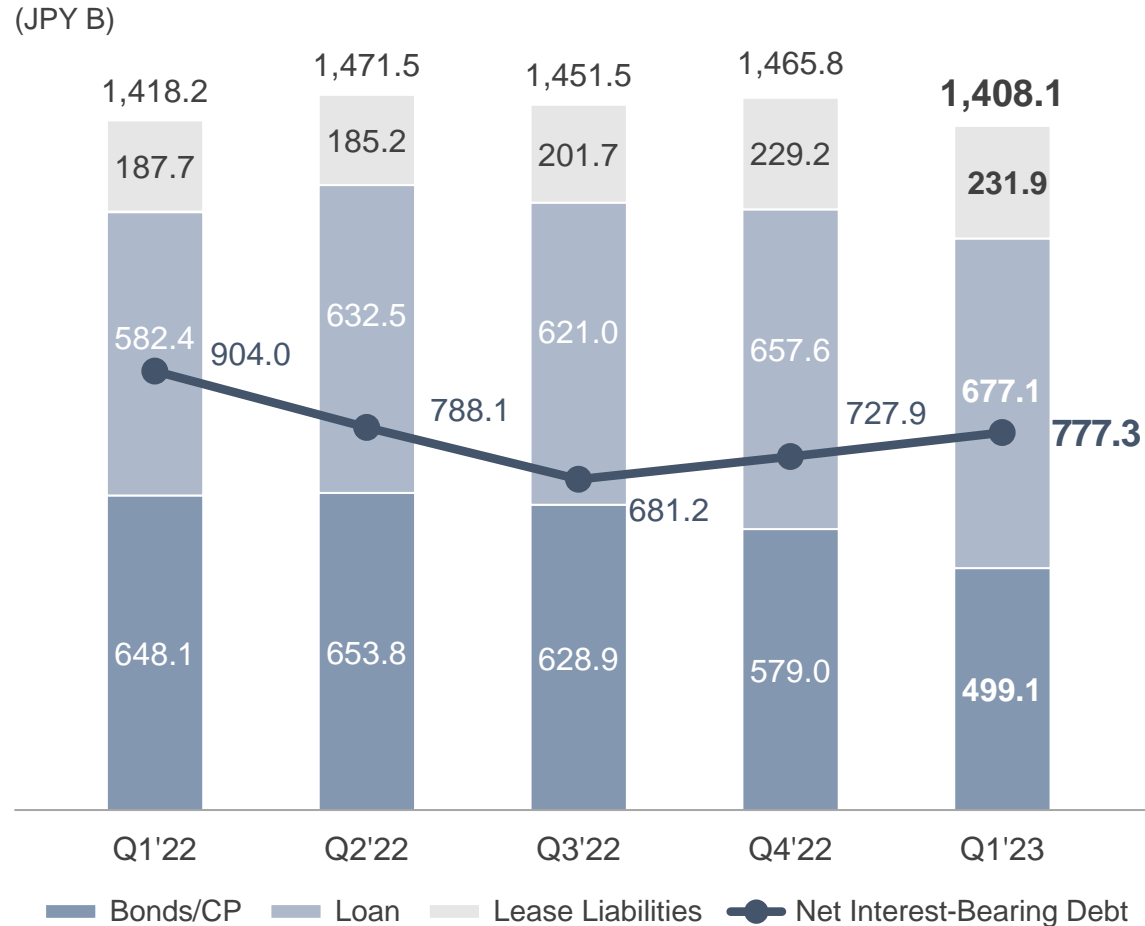


■ Right-of-Use Assets
 ■ Property and Equipment/Intangible Assets

1. The figures are rounded down to the nearest million yen and then rounded to the nearest 100 million yen.
2. Figures for FY2022 have been revised due to partial revision of scope of calculation.
3. Financial business includes PayPay Corporation, PayPay Card Corporation, PayPay Bank Corporation and the financial subsidiaries of LINE Corporation.
4. Adjusted securitization of credit card receivables (transferred from financing cash flow to operating cash flow), includes adjustment of transactions within the Group.

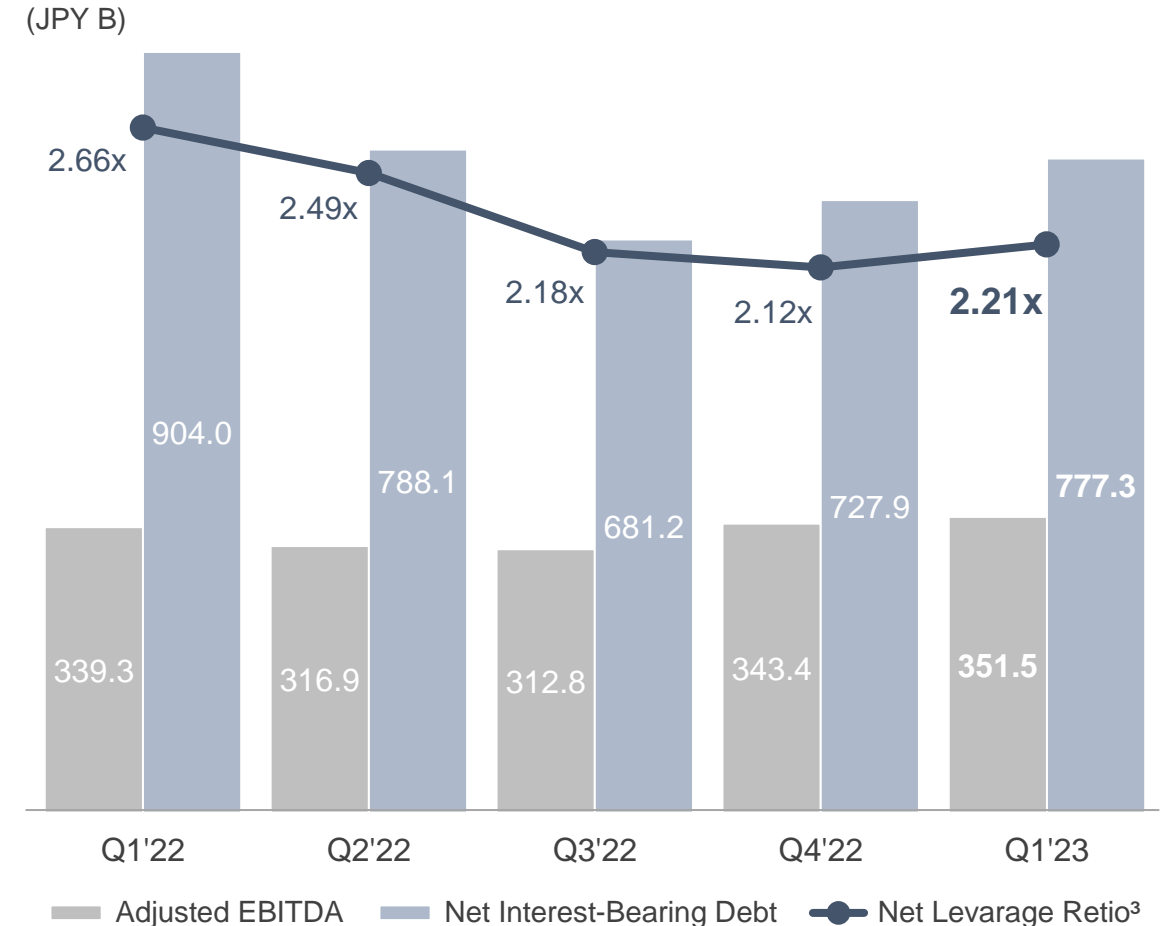
Interest-Bearing Debt & Net Interest-Bearing Debt¹

(Excluding financial business²)



Net Leverage Ratio³

(Excluding financial business²)



1. Net interest-bearing debt = Interest bearing debt – Cash and cash equivalents. The figures are rounded down to the nearest million yen and then rounded to the nearest 100 million yen.

2. Financial business includes PayPay Corporation, PayPay Card Corporation, PayPay Bank Corporation and the financial subsidiaries of LINE Corporation.

3. Net leverage ratio = Net interest-bearing debt/Adjusted EBITDA (Figures for the last 12 months used for calculating adjusted EBITDA). The figures are rounded down to the nearest million yen and then rounded to the nearest 100 million yen.

- Will change sub-segments from FY2023 Q3, to accommodate merger and growth phase of each business.

Until FY2023 Q2

Media Business	LINE Ads	• Display ads, Other LINE Ads	• Account ads
	Yahoo! JAPAN Ads	• Search ads • Display ads (Reservation)	• Display ads (Programmatic)
	Other	• LINE Stickers , LINE GAME, LINE MUSIC, ebookjapan, Yahoo! JAPAN Loco, etc.	

Commerce Business	Merchandise	• Shopping business • ASKUL's BtoB business	• Reuse business
	Services EC	-	
	Other	-	

Strategic Business	Fintech	• PayPay • PayPay Bank	• PayPay Card • Other finance
	Other	-	

From FY2023 Q3

Media Business	Search ads	-	
	Account ads	-	
	Display ads	• Display ads (Programmatic) • Display ads (Reservation)	
	Other	• LINE Stickers , LINE GAME, LINE MUSIC, ebookjapan, Yahoo! JAPAN Loco, etc.	

Commerce Business	LY Corporation	• Shopping business • Services EC business	• Reuse business • Other
	ZOZO/ ASKUL	• ZOZO • ValueCommerce	• ASKUL • Other

Strategic Business	Fintech	• PayPay (Consolidated) ¹ • Other finance	• PayPay Bank
	Other	-	

1. PayPay Corporation and PayPay Card Corporation.

Media Business

(JPY Million)	FY2022 Q1 ^{1,2}	FY2023 Q1 ^{1,2}	YoY
Revenue	155,538	158,871	+2.1%
LINE Advertising revenue	48,817	48,948	+0.3%
Display advertising	27,369	24,721	-9.7%
Account advertising	19,883	23,631	+18.8%
Other LINE advertising	1,565	594	-62.0%
Yahoo Japan Advertising revenue	82,187	83,339	+1.4%
Search advertising	46,995	49,642	+5.6%
Display advertising (Programmatic) ³	31,168	30,307	-2.8%
Display advertising (Reservation) ³	4,024	3,389	-15.8%
Other revenue (Vertical/entertainment/digital content/communication, etc.)	24,533	26,583	+8.4%
Cost of sales	30,426	32,963	+8.3%
Selling, general and administrative expenses	67,187	70,222	+4.5%
Sales promotion cost + Advertising and promotional expenses	6,209	5,777	-7.0%
Other selling, general and administrative expenses	60,977	64,445	+5.7%
Other revenue and expenses	-	-	N/A
Adjusted EBITDA (Margin)⁴	63,761 (41.0%)	62,069 (39.1%)	-2.7%
LINE Adjusted EBITDA (Margin)⁴	23,847 (35.4%)	20,187 (28.9%)	-15.3%
Yahoo Japan Adjusted EBITDA (Margin)⁴	39,914 (45.3%)	41,881 (47.0%)	+4.9%

1. From FY2022 Q1, Yahoo Japan Corporation's financial service which had formerly been recorded in Strategic Business has been transferred to Media Business. LINE Corporation's services that had been recorded in Adjustments have been transferred to each business segment. Figures have been retroactively revised from FY2021 Q1.

2. From FY2023 Q1, Yahoo Japan Corporation's data solution service and dely Inc.'s service were transferred from Others to Media Business; and part of the expenses related to LINE Corporation and its subsidiaries which were allocated in Others and Adjustments, have been allocated to Media Business. Segment information for FY2022 has been revised as a result.

3. Excludes Shopping-related advertising revenue and advertising revenue of ZOZO, Inc. (Recorded in Commerce Business segment).

4. Includes revenue of other Media Business other than advertising business.

Item	Breakdown
LINE Ads	
Display ads	LINE VOOM, LINE NEWS, Chat List, Talk Head View, Talk Head View Custom, etc.
Account ads	LINE Official Account, LINE Promotion Sticker, LINE Sales Promotion, LINE Flyer, etc.
Other ads	LINE Part Time Jobs, etc.
Yahoo Japan Advertising	
Search advertising	Yahoo! JAPAN Ads “Search advertising”
Display advertising	
Programmatic advertising	Yahoo! JAPAN Ads “Display advertising” (Programmatic-based), etc.
Reservation advertising	Yahoo! JAPAN Ads “Display advertising” (Reservation-based), etc.
Others	
LINE	LINE Stickers, LINE GAME, LINE Fortune, LINE MUSIC, LINE Manga, etc.
Yahoo Japan	ebookjapan, Real estate-related services, Yahoo! JAPAN Loco, etc.

Item	Fee Calculation	Placement Pages/Product Outline	Type of Advertiser
Display ads			
LINE VOOM	Cost per-click Cost per-view	LINE VOOM tab	Major corporations/SMBs
LINE NEWS	Cost per-click Cost per-view	NEWS tab	Major corporations/SMBs
Chat List	Cost per-click Cost per-view	Top of chat list page	Major corporations/SMBs
Talk Head View (Reservation-based)	Cost per-guaranteed period	Video ads distributed at the top of chat list page	Major corporations/Local governments
Talk Head View Custom (Programmatic-based)	Cost per-view	Video ads distributed at the top of chat list page	Major corporations/Local governments
Account ads			
LINE Official Account	Fixed monthly cost Pay-as-you-go	Messages delivered to users who have friended the account	Major corporations/SMBs/Local governments
LINE Promotion Sticker	Fixed fee Pay-as-you-go	Free stickers designed for businesses for user communications	Major corporations/SMBs/Local governments
LINE Sales Promotion	Basic cost Optional cost	In-store sales promotion solution utilizing LINE	Major corporations/SMBs

Item	Fee Calculation	Placement Pages	Type of Advertiser
Search advertising	Cost per-click	Search results pages	Major corporations/SMBs
Display advertising			
Programmatic			
Yahoo! JAPAN Ads “Display advertising” (Programmatic-based)	Cost per-click Cost per-view	Top page Interior pages of service sites Partner sites	Major corporations/SMBs
Shopping-related advertising (Programmatic-based)	Cost per-conversion	Yahoo! JAPAN Shopping	Tenants of Yahoo! JAPAN Shopping
Reservation			
Yahoo! JAPAN Ads “Display advertising” (Reservation-based)	Cost per-viewable impression Cost per-guaranteed period, etc.	Top page Interior pages of service sites	Major corporations/Local governments
Shopping-related advertising (Reservation-based)	Cost per-guaranteed period, etc.	Yahoo! JAPAN Shopping	Tenants of Yahoo! JAPAN Shopping

Commerce Business

(JPY Million)	FY2022 Q1 ^{1,2}	FY2023 Q1 ^{1,2}	YoY
Revenue	205,629	206,861	+0.6%
Merchandise EC	166,824	176,270	+5.7%
Shopping business	79,392	71,178	-10.3%
Reuse business	14,052	14,377	+2.3%
ASKUL online BtoB business ³	73,379	90,714	+23.6%
Services EC	5,357	6,066	+13.2%
Other	33,447	24,524	-26.7%
Cost of sales	88,961	91,556	+2.9%
Selling, general and administrative expenses	92,230	84,621	-8.2%
Sales promotion cost + Advertising and promotional expenses	25,053	14,346	-42.7%
Other selling, general and administrative expenses	67,176	70,275	+4.6%
Other revenue and expenses	-	-	N/A
Adjusted EBITDA (Margin)	37,488 (18.2%)	46,561 (22.5%)	+24.2%

1. From FY2022 Q1, LINE Corporation's services that had been recorded in Adjustments have been transferred to each business segment. Figures have been retroactively revised from FY2021 Q1.

2. From FY2023 Q1, part of the expenses related to LINE Corporation and its subsidiaries which were allocated in Others and Adjustments, have been allocated to Commerce Business. Segment information for FY2022 has been revised as a result.

3. From FY2023 Q1, changed definition to include APMRO and FEED DENTAL.

Item	Breakdown
Merchandise EC	-
Shopping business	Yahoo! JAPAN Shopping, ZOZOTOWN, LOHACO, Charm, LINE SHOPPING, LINE FRIENDS, LINE GIFT, MySmartStore, Yahoo! JAPAN Mart by ASKUL, LIVEBUY, LINE SHOPPING (Taiwan, Thailand), GIFTSHOP, EZ STORE, QUICK EC, MyShop
Reuse business	YAHUOKU! ¹ , PayPay Flea Market ² , ZOZOUSED
ASKUL online BtoB business³	ASKUL, SOLOEL ARENA, APMRO, FEED DENTAL, etc.
Services EC	Yahoo! JAPAN Travel, Ikyu Travel, LINE TRAVEL (Taiwan), etc.
Others	Premium membership, ASKUL non-online BtoB business, ValueCommerce, etc.

1. YAHUOKU! is scheduled to be renamed to Yahoo! JAPAN Auction in autumn of 2023.

2. PayPay Flea Market is scheduled to be renamed to Yahoo! JAPAN Flea Market in autumn of 2023.

3. From FY2023 Q1, changed definition to include APMRO and FEED DENTAL.

Item	Major Services/products
EC transaction value	-
Domestic merchandise	-
Shopping business	Yahoo! JAPAN Shopping, ZOZOTOWN, LOHACO, Charm, LINE SHOPPING, LINE GIFT, LINE FRIENDS, MySmartStore, Yahoo! JAPAN Mart by ASKUL, LIVEBUY
Reuse business	YAHUOKU! ¹ , PayPay Flea Market ² , ZOZOUSED
ASKUL online BtoB business³	ASKUL, SOLOEL ARENA, APMRO, FEED DENTAL, etc.
Domestic services	Ikyu.com, Yahoo! JAPAN Travel, Yahoo! JAPAN Loco ⁴ , Demae-can, LINE PLACE
Domestic digital content	ebookjapan, LINE Manga, LINE MUSIC, LINE Stickers, LINE GAME, LINE Fortune, LINE NFT ⁵ , other paid digital content
Overseas EC	LINE SHOPPING (Taiwan, Thailand), GIFTSHOP, EZ STORE, QUICK EC, MyShop, ZOZOFIT ⁶ , LINE FRIENDS, LINE TRAVEL (Taiwan), LINE MAN, LINE Stickers ⁴ , LINE GAME ⁴ , DOSI ⁷

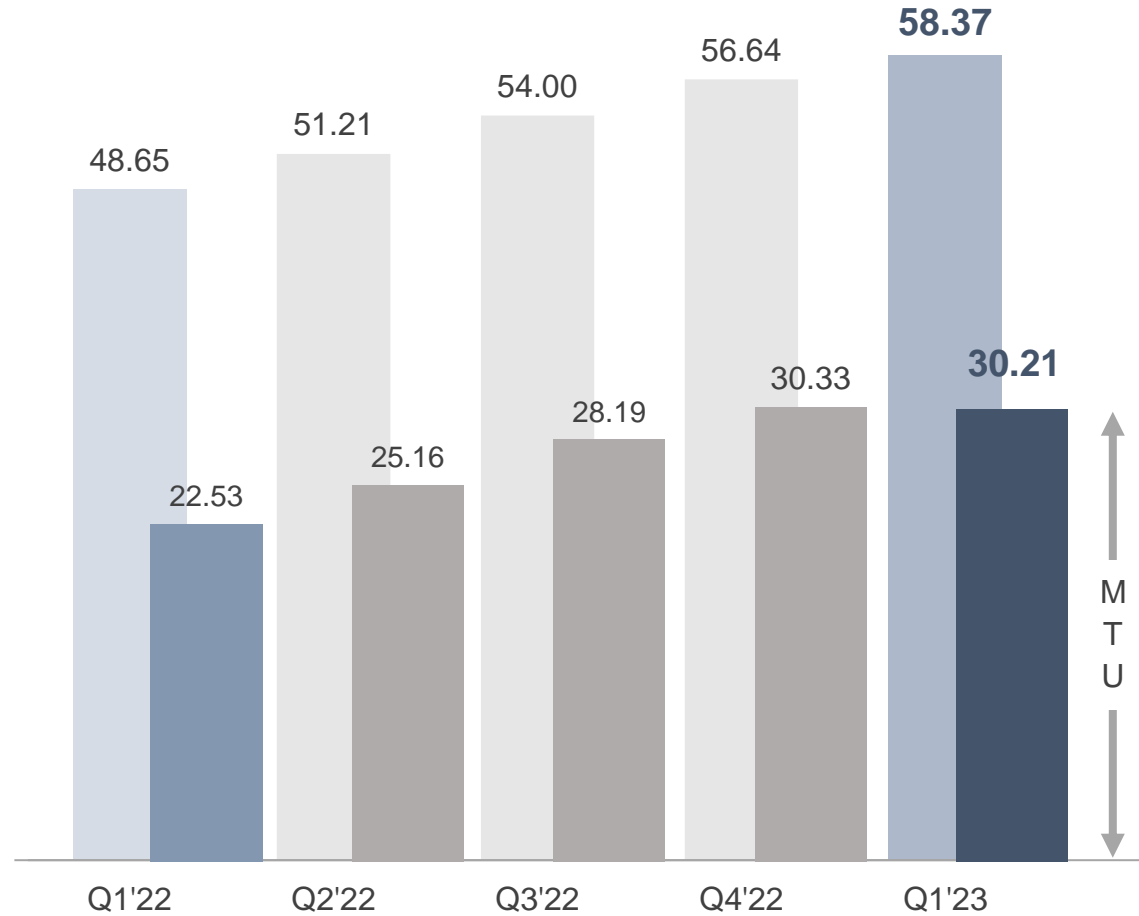
1. YAHUOKU! is scheduled to be renamed to Yahoo! JAPAN Auction in autumn of 2023.
2. PayPay Flea Market is scheduled to be renamed to Yahoo! JAPAN Flea Market in autumn of 2023.
3. From FY2023 Q1, changed definition to include APMRO and FEED DENTAL.
4. Revenue from these services are recorded in the Media Business segment.
5. Revenue from this service is recorded in the Strategic Business segment.
6. From FY2023 Q1, includes transaction value of ZOZOFIT.
7. Global NFT platform. Revenue from this service is recorded in the Strategic Business segment.

Strategic Business



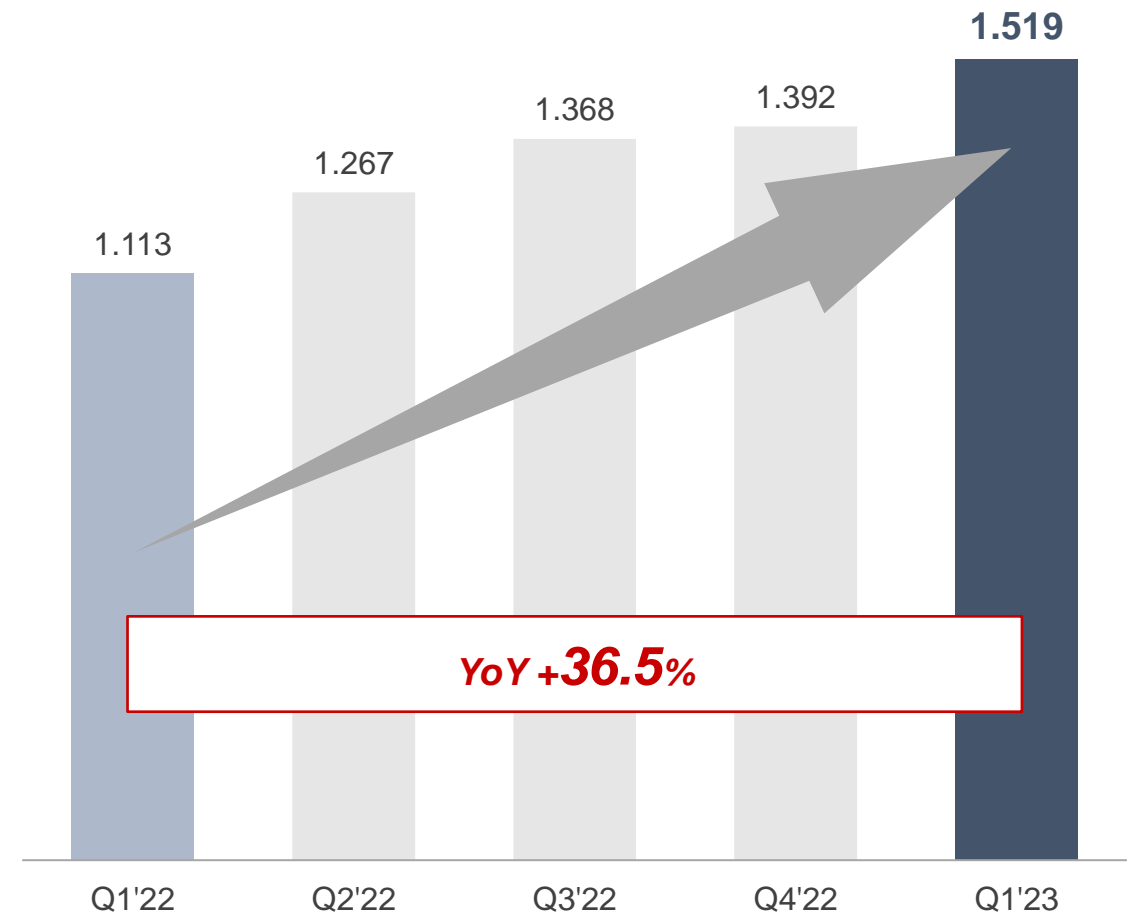
Registered Users¹·MTU² (Standalone)

(Million)



No. of PayPay Payments³ (Standalone)

(B)



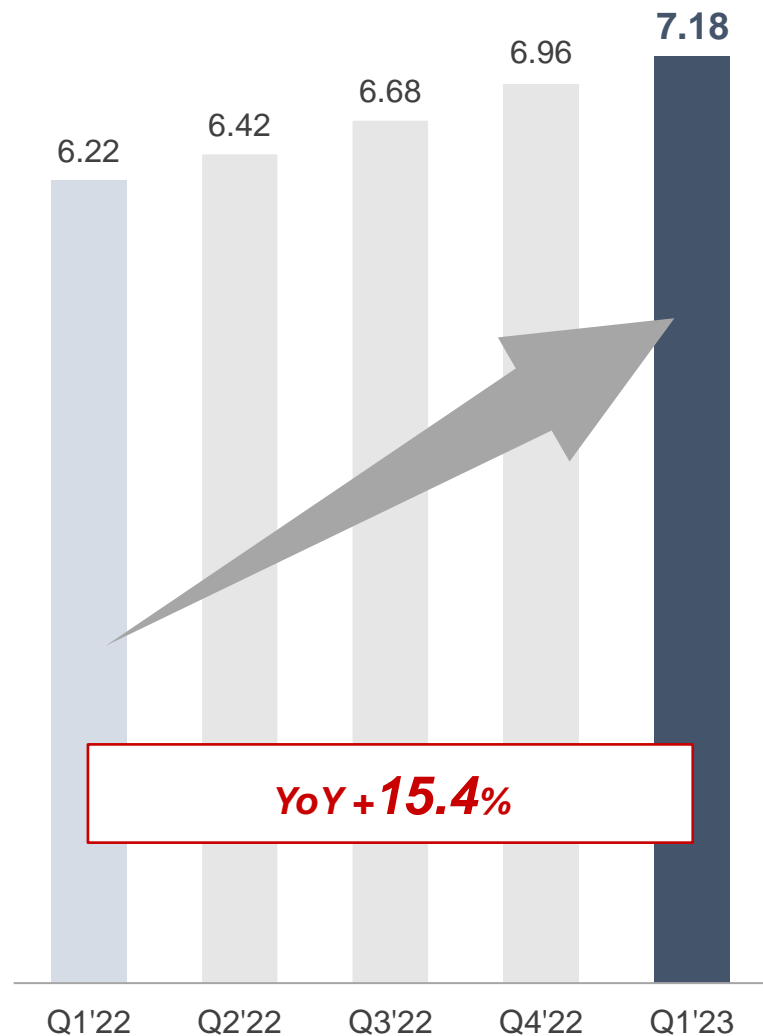
1. No. of users registered to PayPay account as of last month of every quarter.

2. MTU (Monthly Transaction Users): Number of unique users who made a transaction once or more per month. The use of the "Send/Receive" function of "PayPay Balance" between users is not included. Payments via Alipay and LINE Pay, etc., are included. As of the end of each quarter.

3. The use of the "Send/Receive" function of "PayPay Balance" between users is not included. From FY2021 Q4 onward, payments via Alipay and LINE Pay, etc., are included. Payments through "Credit (Pay later, former Atobarai)" launched in February 2022 are included.

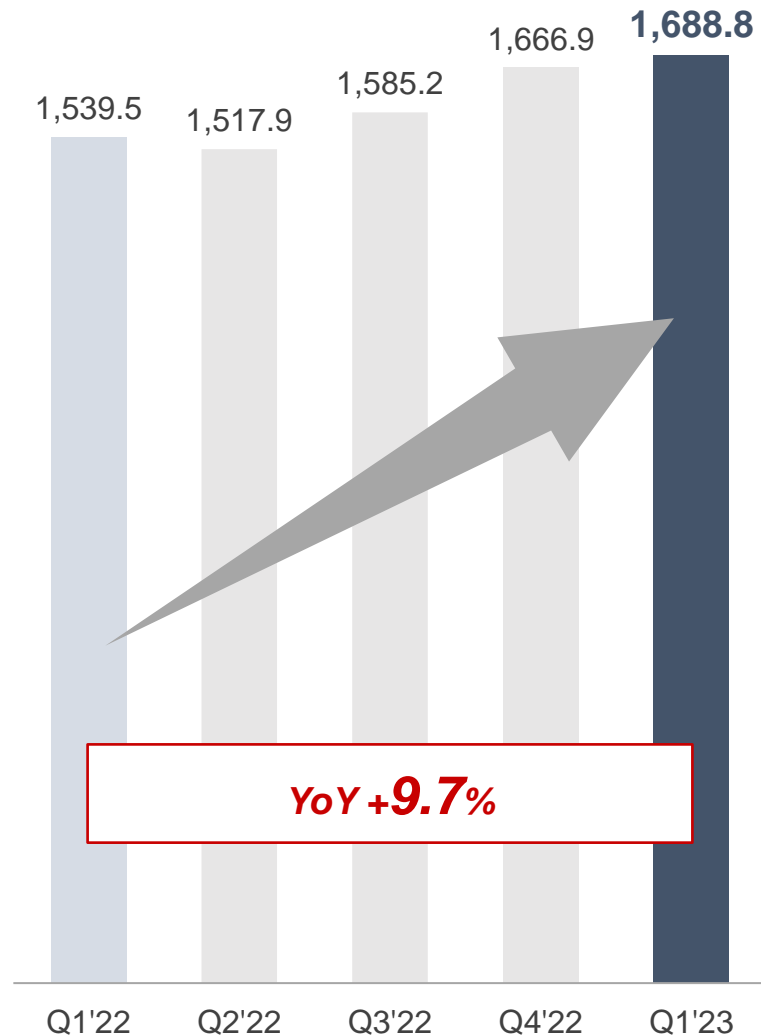
No. of Accounts

(Million)



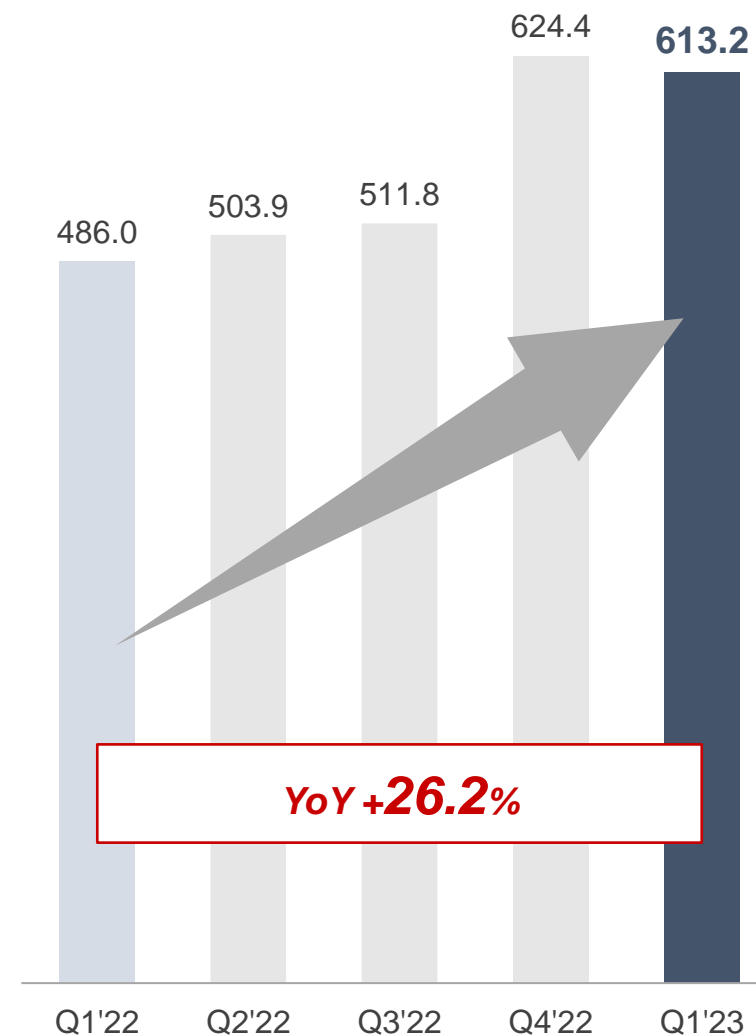
Deposit Balance

(JPY B)



Loan Balance

(JPY B)



• Consolidated PayPay Corporation in October 2022.

		May 2018 (At founding)	As of end of May 2019	As of end of Mar 2020	As of end of Mar 2022	As of end of Sep 2022
Common Stock	Yahoo Japan	50%	25%	25%	25%	-
	Z Holdings	-	-	-	-	25%
	SoftBank	50%	25%	25%	25%	25%
	SoftBank Group ²	-	50%	50%	50%	50%
	Paytm ³	-	-	-	-	-
	Total	100%	100%	100%	100%	100%
Preferred Stock ¹	Yahoo Japan	-	-	50%	41.5%	50%
	SoftBank	-	-	50%	41.5%	50%
	SoftBank Group ²	-	-	-	17.0%	-
	Total	-	-	100%	100%	100%

Capital Structure after Completion of Transactions^{4,5}
(October 2022 –)

B Holdings⁶	54.8%
SoftBank Vision Fund ²	28.5%
Z Holdings	5.6%
SoftBank	5.6%
Paytm	5.5%
Total	100%

Z HOLDINGS Shareholding ratio | **33.0%**

(Incl. 27.4% held through B Holdings)

1. From April 2022 onwards, may be converted to common stocks (conversion rate = 1:1). All preferred stocks were converted to common stocks on October 1, 2022, with the consolidation of PayPay Corporation.

2. Transferred to SoftBank Vision Fund 2 under SoftBank Group in December 2021.

3. On September 30, 2020, issued stock options to Paytm. The options can be exercised from the same date.

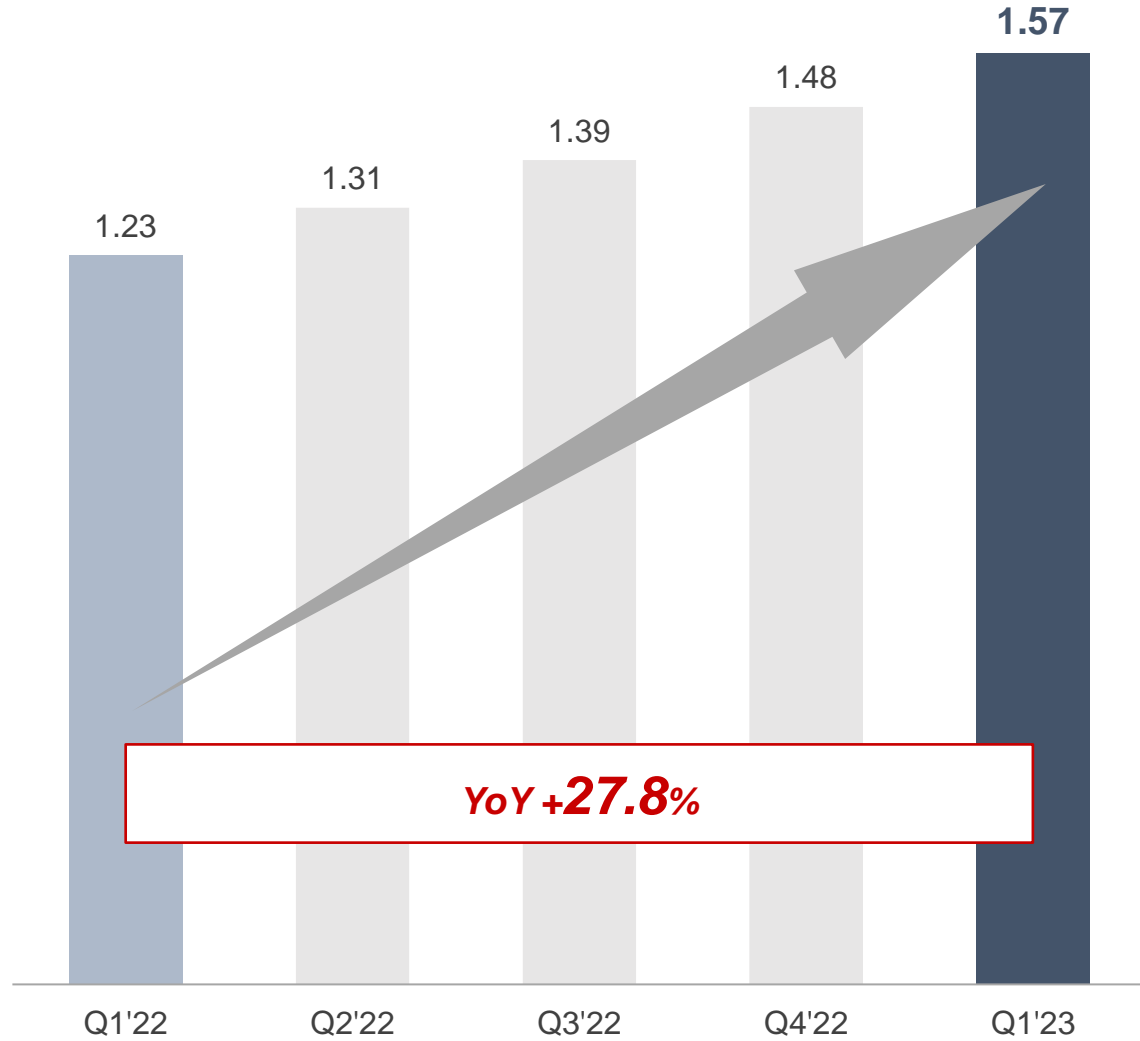
4. Figure after Paytm's stock options are exercised.

5. ZHD's announcements: https://www.z-holdings.co.jp/en/ir/news/auto_20220727505491/pdfFile.pdf, https://www.z-holdings.co.jp/en/ir/news/auto_20221002539426/pdfFile.pdf

6. Established in September 2022. An intermediate holding company of Z Holdings Corporation and SoftBank Corp. with investment also from SoftBank Corp.

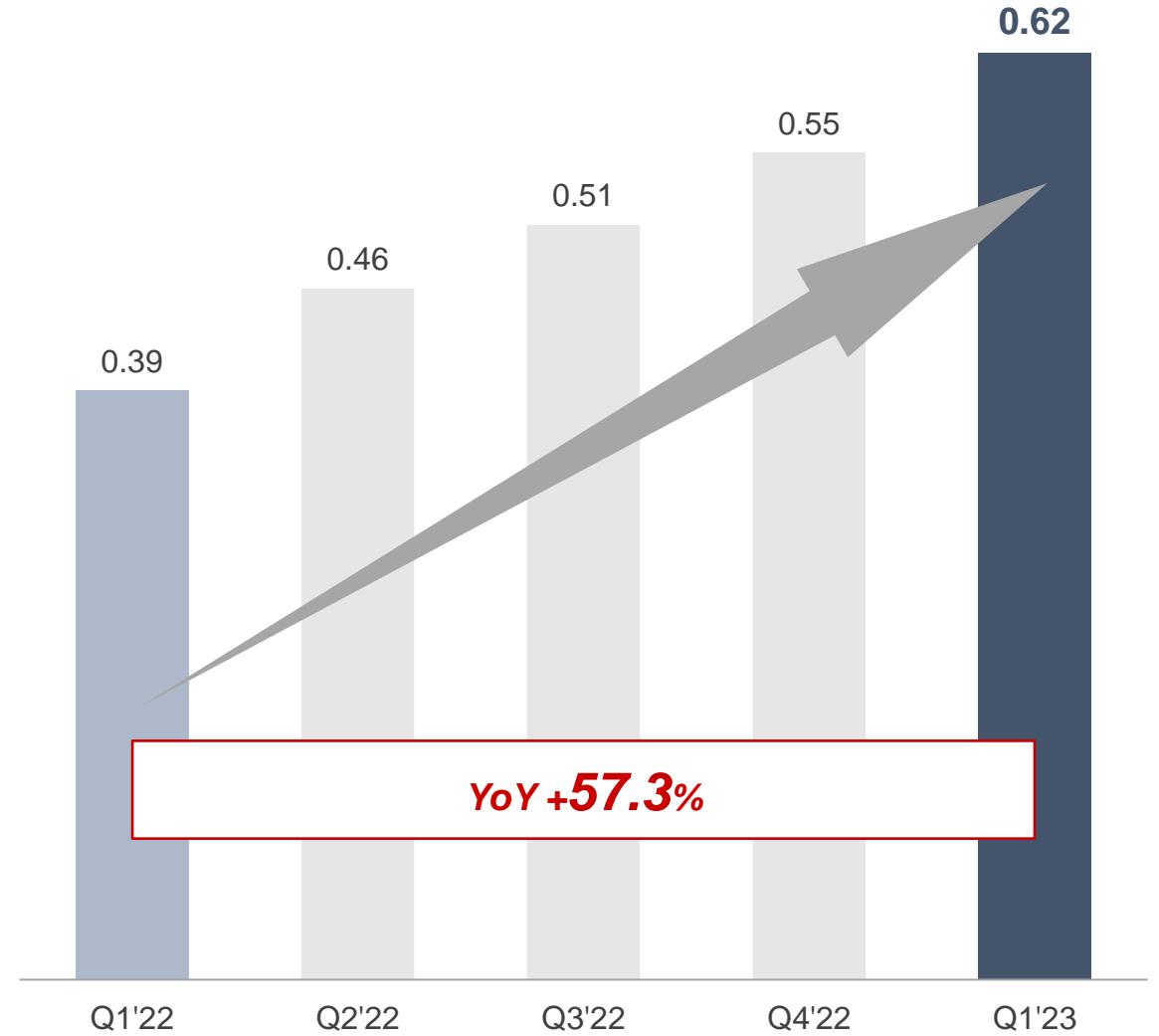
LINE Bank (Taiwan) – No. of Users

(Million)



LINE Bank (Indonesia) – No. of Users

(Million)



(JPY Million)	FY2022 Q1 ^{1,2}	FY2023 Q1 ^{1,2}	YoY
Revenue	30,316	65,466	+115.9%
Fintech	30,507	65,366	+114.3%
PayPay (Consolidated) ³	-	47,906	N/A
PayPay Card ⁴	13,901	-	N/A
PayPay Bank ⁴	8,435	10,362	+22.8%
Other fintech (LINE Fintech, etc.)	8,170	7,098	+13.1%
Other Strategic Business (AI, LINE Search, etc.)	-191	100	N/A
Cost of sales	4,374	4,713	+7.8%
Selling, general and administrative expenses	35,312	71,539	+102.6%
Sales promotion cost + Advertising and promotional expenses	4,769	12,001	+151.6%
Other selling, general and administrative expenses	30,542	59,537	+94.9%
Other revenue and expenses	-	10,458	N/A
Adjusted EBITDA (Margin)	-8,024 (-26.5%)	-2,786 (-4.3%)	N/A

1. From FY2022 Q1, Yahoo Japan Corporation's financial service which had formerly been recorded in Strategic Business has been transferred to Media Business. LINE Corporation's services that had been recorded in Adjustments have been transferred to each business segment. Figures have been retroactively revised from FY2021 Q1.

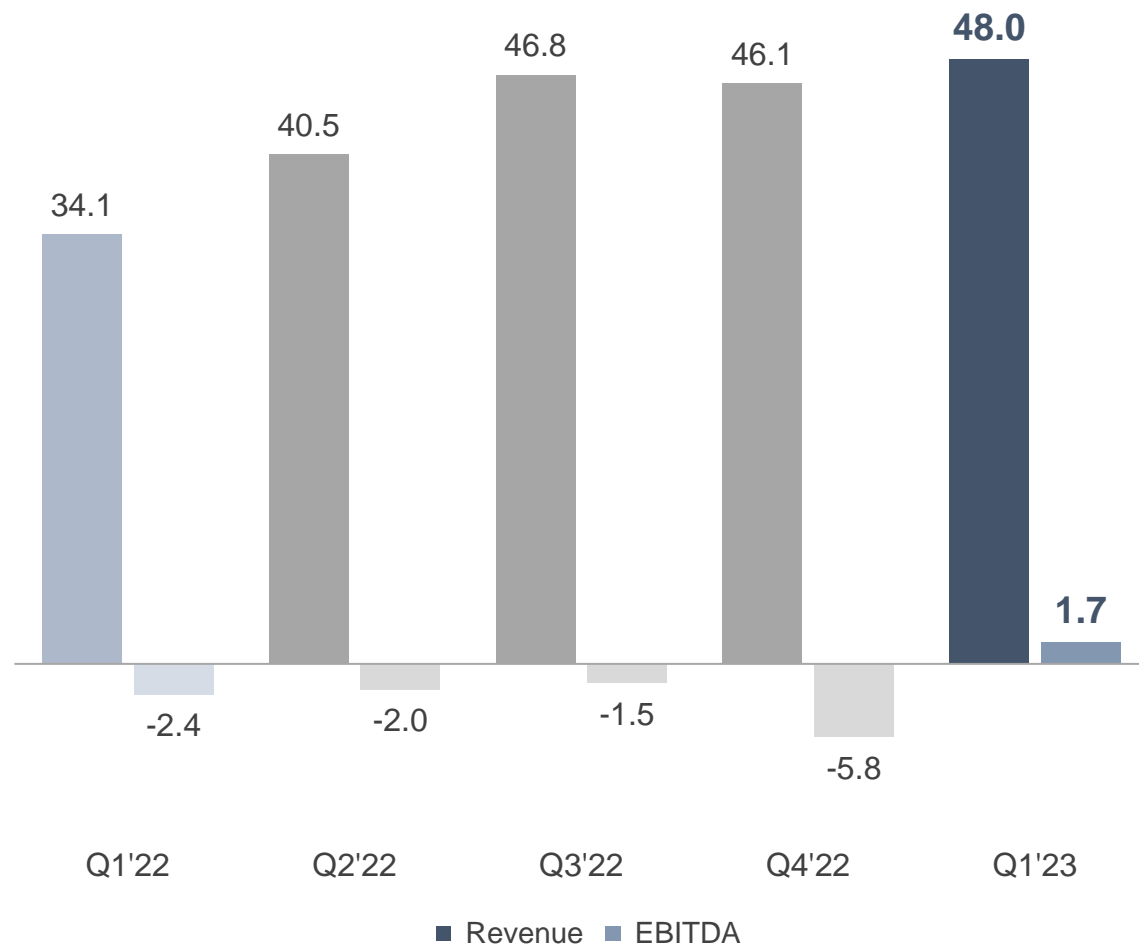
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3. Includes PayPay Corporation and PayPay Card Corporation. Figures after elimination of internal transactions between the two companies. Independently calculated by making relevant IFRS adjustments.

4. Independently calculated by making relevant IFRS adjustments from non-consolidated figures under JGAAP.

Consolidated Revenue¹/EBITDA² (IFRSs)

(JPY B)



Consolidated Statement of Financial Position (IFRSs)

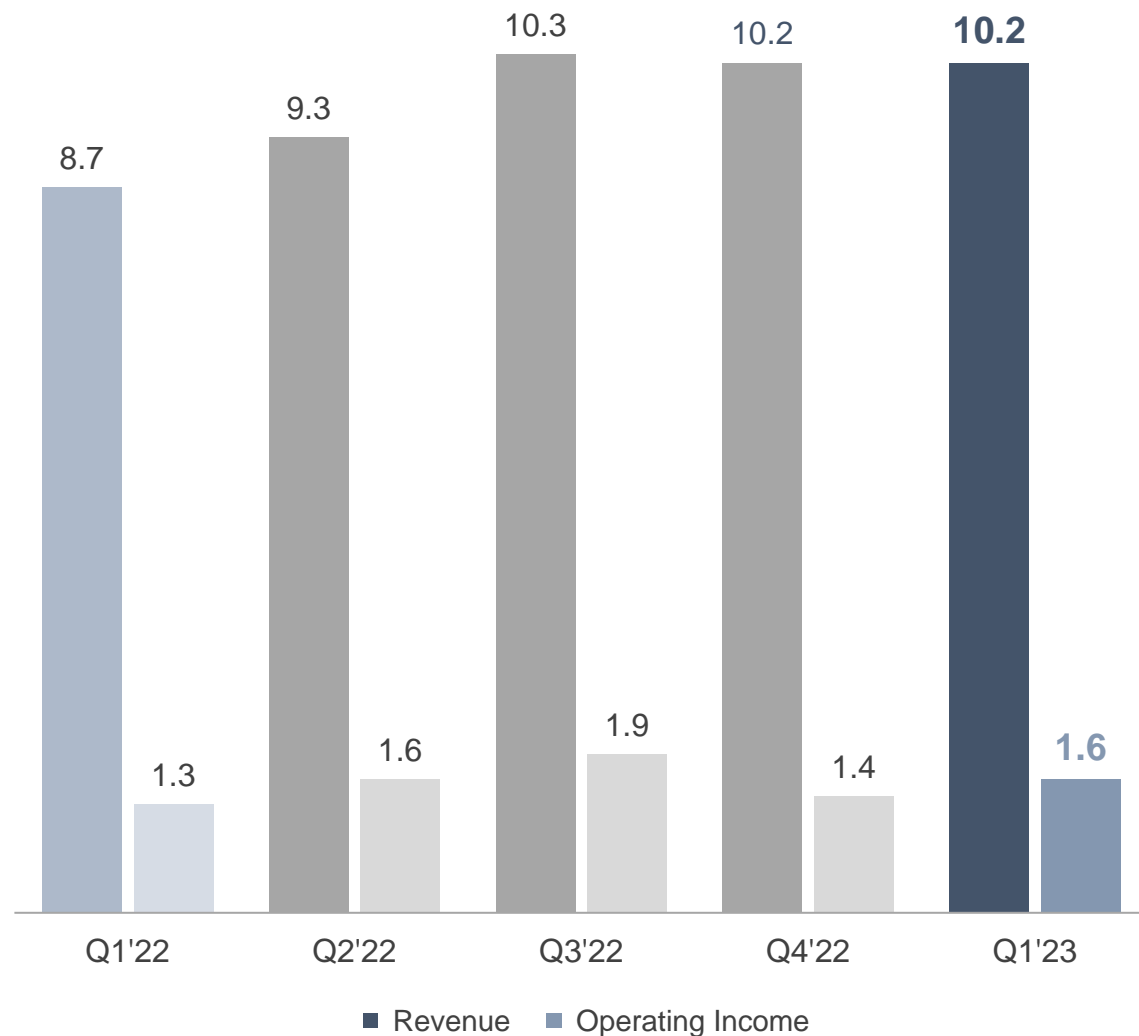
(JPY B)

	FY2022 Q4	FY2023 Q1	Difference
Assets	1,701.8	1,589.2	-112.5
Cash and deposits	641.2	522.9	-118.2
Other assets	1,060.5	1,066.3	+5.7
Liabilities	1,643.9	1,532.9	-111.0
Interest-bearing liabilities	648.4	594.5	-53.8
Other liabilities	995.5	938.3	-57.2
Net Assets	57.8	56.3	-1.4

1. PayPay Corporation's consolidated revenue. Consolidated financial statements of PayPay Card Corporation from the beginning of FY2021 due to the application of pooling of interest method. Figures after elimination of internal transactions between the two companies. Unaudited.
2. PayPay Corporation's consolidated EBITDA. Calculated by adding depreciation and amortization to operating income. Consolidated financial statements of PayPay Card Corporation from the beginning of FY2021 due to the application of pooling of interest method. Figures after elimination of internal transactions between the two companies. Unaudited.

Revenue/Operating Income (Non-Consolidated IFRS)¹

(JPY B)



Statement of Financial Position (JGAAP)¹

(JPY B)

	FY2022 Q4	FY2023 Q1	Difference
Assets	1,844.3	1,863.8	+19.4
Cash and cash equivalents	369.8	324.9	-44.8
Trade and other receivables	27.0	24.0	-3.0
Investment securities in banking business	582.7	627.3	+44.5
Property and equipment	1.7	1.8	+0
Intangible assets	9.9	9.7	-0.1
Liabilities	1,712.7	1,732.5	+19.7
Trade and other payables	16.6	15.0	-1.6
Customer deposit in banking business	1,666.9	1,688.8	+21.8
Interest-bearing liabilities	21.8	21.8	-
Equity	131.6	131.2	-0.3










1. Figures before elimination of internal transactions within the Z Holdings Group. Revenue and operating income are independently calculated by making relevant IFRS adjustments from non-consolidated figures under JGAAP.

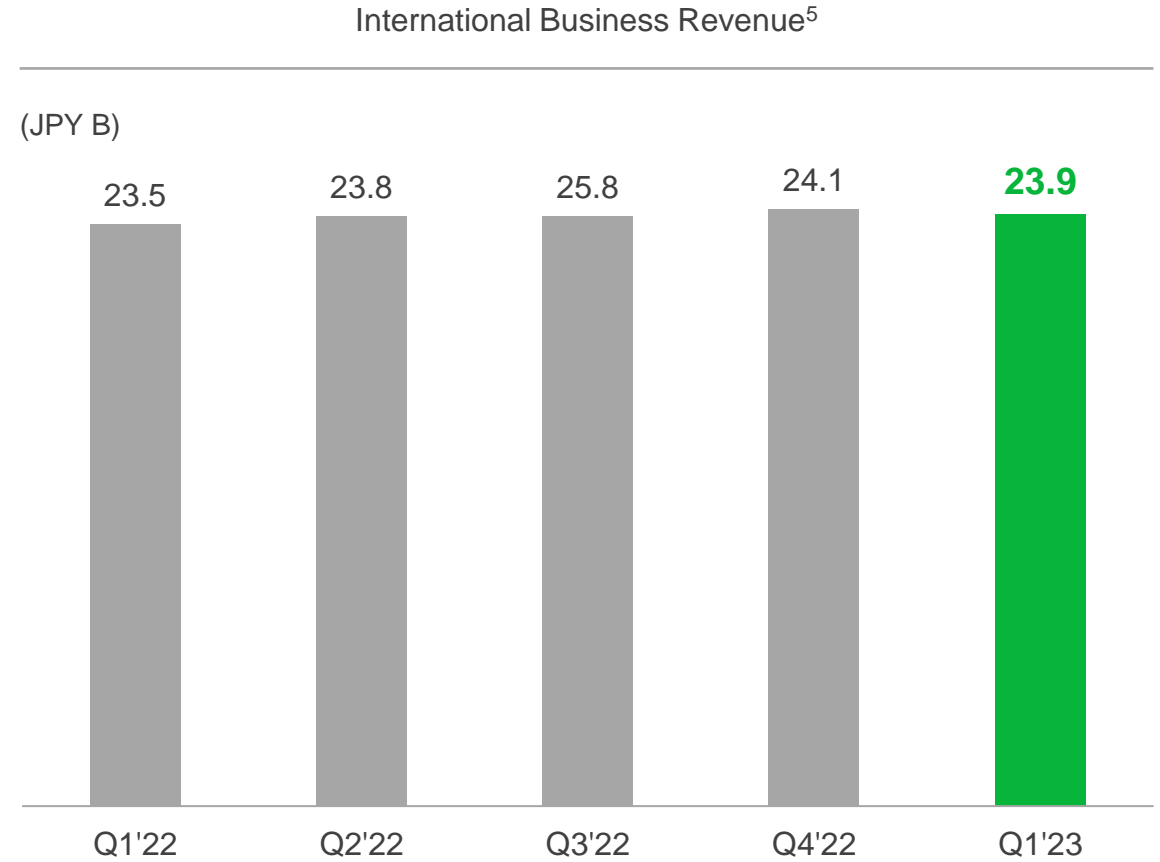
Item	Breakdown
Fintech	-
PayPay (Consolidated)	PayPay, PayPay Card
PayPay Bank	-
Other fintech	PayPay Asset Management, PayPay Insurance, LINE Pay, LINE Score, LINE Pocket Money, LINE BITMAX, LINE NFT, etc.
Others	AI, LINE Search, etc.

International Business



- Overwhelming reach and market share in Asian countries and regions, mainly Taiwan, Thailand, and Indonesia.
- Generating revenue mainly from advertising, stickers, and game businesses based on messaging.

<p>Taiwan</p> 	<p>22 mil MAU¹</p> <p>(Population: 23.26 mil²)</p>	  <p>LINE TODAY</p> <p>No.1 Market share⁴</p>
<p>Thailand</p> 	<p>54 mil MAU¹</p> <p>(Population: 66.09 mil²)</p>	  <p>LINE TODAY</p> <p>No.1 Market share⁴</p>
<p>Indonesia</p> 	<p>6 mil MAU¹</p> <p>(Population: 278.69 mil³)</p>	  <p>LINE SPLITBILL</p>

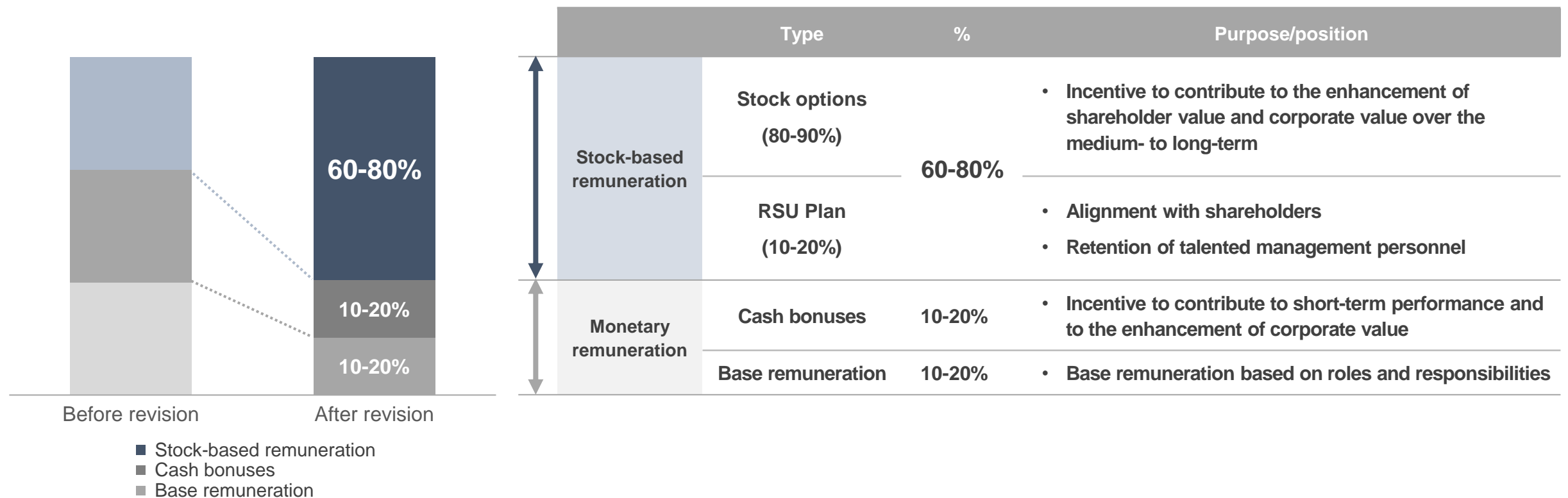


1. As of June 30, 2023.
2. Population for 2022. Figures are quoted from data published by the respective Ministries of Interior.
3. Population as of June 30, 2023. Figures are quoted from data published by the Central Bureau of Statistics.
4. Data for Taiwan and Thailand are based on 2022 market research data for each country and region.
5. Figures for local financial results are converted to Japanese yen using the average exchange rate from the beginning of the fiscal year.

Non-Financial Information

- The new executive remuneration plan from FY2022 onwards **puts more emphasis on stock-based remuneration as a medium- to long-term incentive.**
- **Fostering a sense of shared interest (Same Boat) with shareholders, aim to enhance corporate value through sustainable growth.**

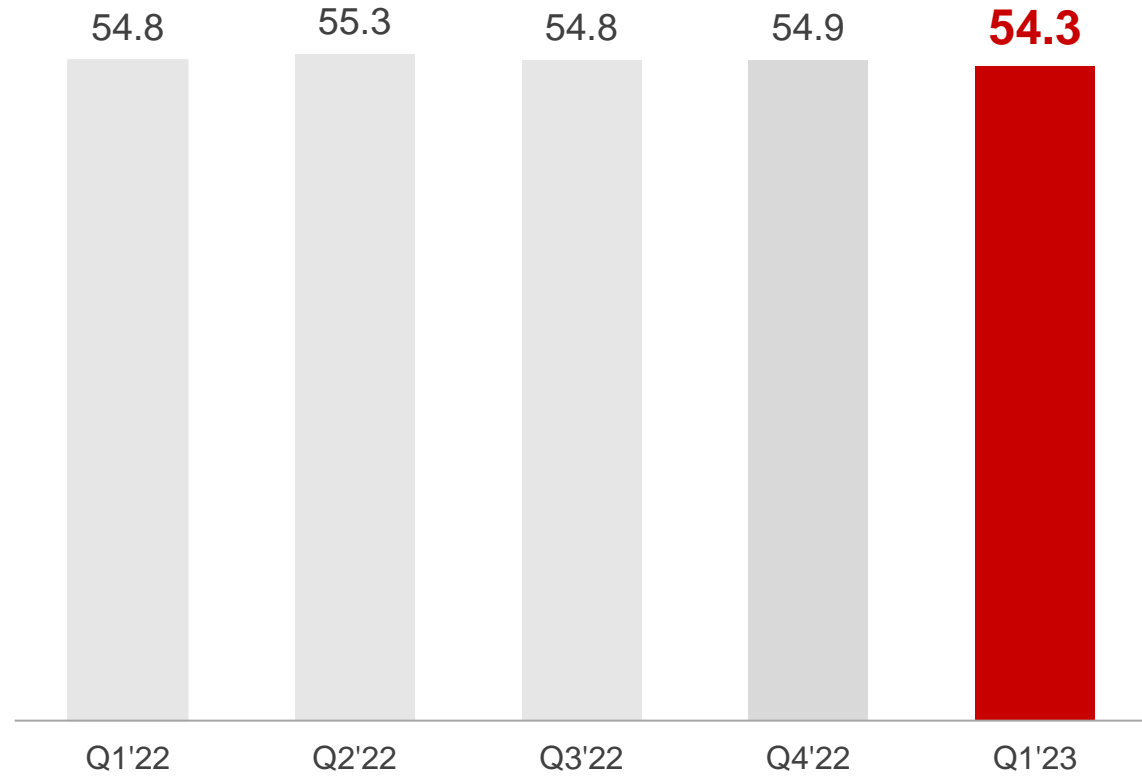
Revision of directors' remuneration plan¹



1. Excludes directors serving on the Audit and Supervisory Committee.

Yahoo Japan - Number of Monthly Logged-in User IDs

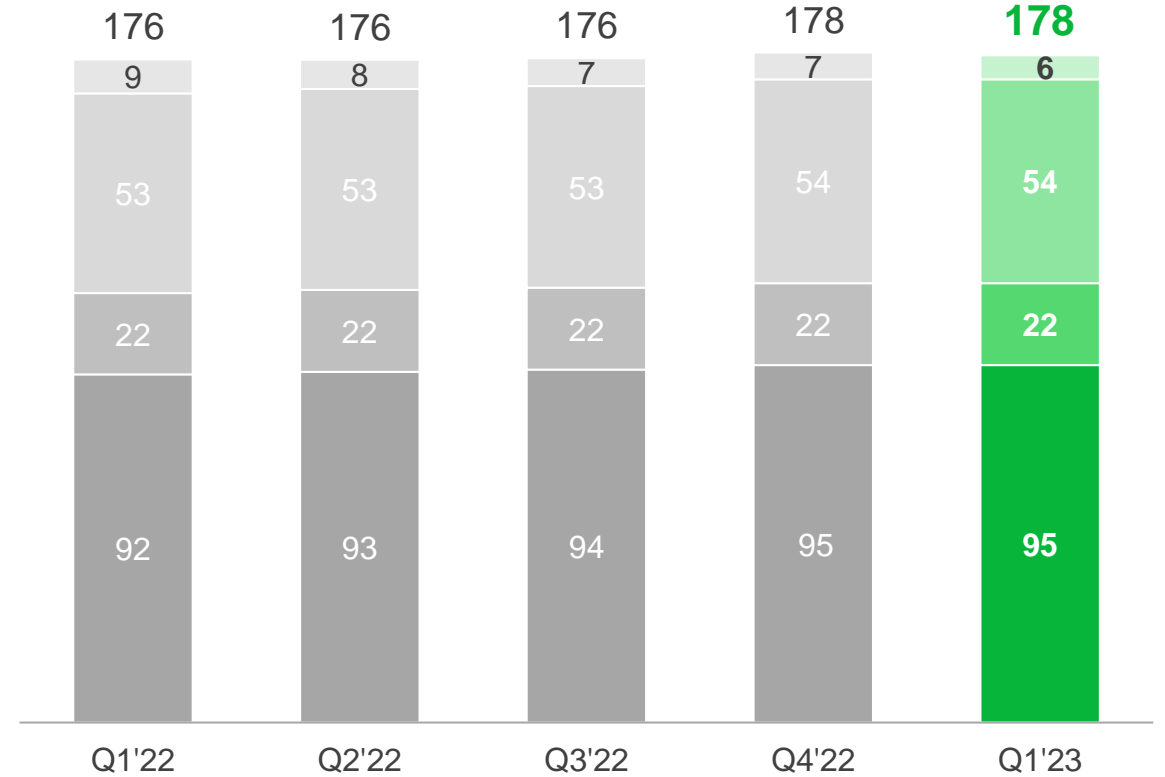
(Million)



LINE - Monthly Active Users

(Million)

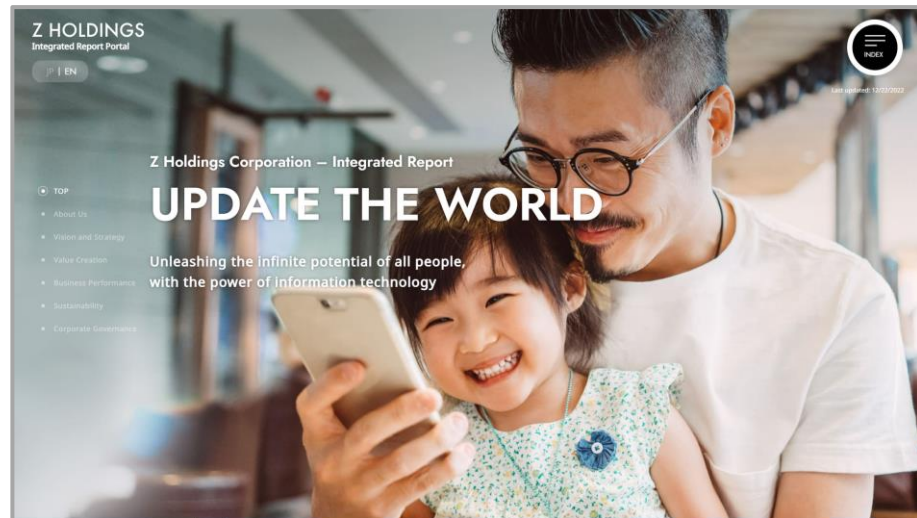
June 2023 Global MAU¹ : 199



■ Japan ■ Taiwan ■ Thailand ■ Indonesia

1. Total number of users worldwide, including the four major countries and regions.

- Financial/non-financial information useful for investment decisions are kept up to date



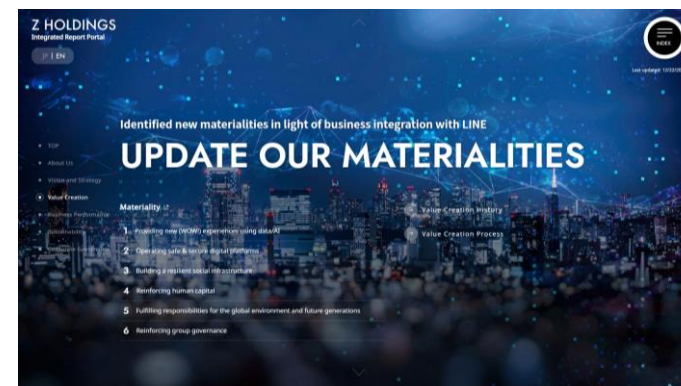
Vision and Strategy



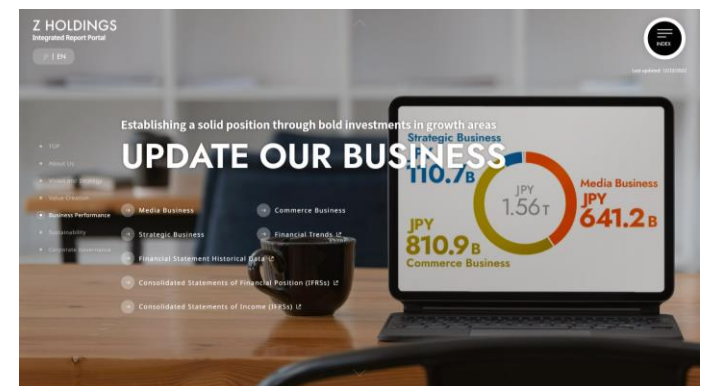
Sustainability



Value Creation



Business Performance



Statements made at the meeting or included in the documents that are not historical facts are forward-looking statements about the future performance of Z Holdings Corporation (Company, Z Holdings, ZHD) and its consolidated subsidiaries and affiliates.

The Company cautions you that a number of important factors could cause actual results to differ materially from those discussed in the forward-looking statements.

Such factors include, but are not limited to, the items mentioned in “Risk Factors” in “Consolidated Financial Statements and Independent Auditor's Report” (Japanese only). Unauthorized use of the information or the data in this document is not permitted.

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.

Z HOLDINGS

**Unleashing the infinite potential of all people,
with the power of information technology**