

Translation

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Non-consolidated Financial Results for the Six Months of the Fiscal Year Ending May 31, 2026 (Under Japanese GAAP)

January 13, 2026

Company name: zig-zag, inc.
 Stock exchange listings: Tokyo Stock Exchange
 Stock code: 340A
 URL: <https://www.zig-zag.co.jp/>
 Representative: Kazuyoshi Nakazato, Representative Director
 Contact: Takayuki Kihara, Corporate Planning Team Manager
 TEL: +81-3-6777-7189
 Scheduled date for submission of interim report: January 13, 2026
 Supplementary materials for financial summaries: Yes
 Financial results briefing: None

(Amounts of less than one million yen are rounded down.)

1. Non-consolidated Financial Results for the Six Months of the Fiscal Year Ending May 31, 2026 (from June 01, 2025 to November 30, 2025)

(1) Operating results (Cumulative)

(Percentages indicate YoY changes)

	Revenue		Operating profit		Ordinary profit		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Six months ended November 30, 2025	683	(1.5)	117	(32.5)	124	(24.8)	85	(19.7)
November 30, 2024	693	-	174	-	164	-	106	-
	Basic earnings per share		Diluted earnings per share					
	Yen		Yen					
Six months ended November 30, 2025	11.75		10.73					
November 30, 2024	18.15		-					

(Note) 1. As interim financial statements were not prepared for the interim period ended May 2024, the year-on-year change rate for the interim period ended May 2025 is not provided.

2. On September 1, 2025, a stock split was conducted at a ratio of 3 shares for each common share. Basic earnings per share and diluted earnings per share have been calculated assuming that the stock split was conducted at the beginning of the previous fiscal year.

3. Regarding diluted earnings per share for the six months ending May 2025, although there are potential shares, our company's stock is not publicly listed, and therefore the average stock price during the period cannot be determined, so this information is not disclosed.

(2) Financial positions

	Total assets	Equity	Equity to total assets ratio
	Million yen	Million yen	%
As of November 30, 2025	2,322	1,220	52.5
May 31, 2025	2,127	1,114	52.4

(Reference) Owner's equity As of the six months ended May 2026: 1,220 million yen As of the fiscal year ended May 2025: 1,114 million yen

2. Cash dividends

	Annual dividends per share				
	End of first quarter	End of second quarter	At the end of the third quarter	Fiscal year-end	Total
Fiscal year ended May 31, 2025	Yen -	Yen 0.00	Yen -	Yen 0.00	Yen 0.00
Fiscal year ending May 31, 2026	-	0.00			
Fiscal year ending May 31, 2026 (Forecast)			-	0.00	0.00

(Note) Presence or absence of revisions from the most recently announced dividend forecast: None

3. Non-consolidated Earnings Forecasts for the Fiscal Year Ending May 31, 2026 (from June 01, 2025 to May 31, 2026)

(Percentages indicate YoY changes)

	Revenue		Operating profit		Ordinary profit		Net income		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Fiscal year ending May 31, 2026	1,639	16.1	328	1.8	328	5.9	240	(2.3)	33.25

(Note) 1. Correction of financial forecast from the most recent financial forecast: None

2. On September 1, 2025, a stock split will be conducted at a ratio of 3 shares for each common share. For the basic earnings per share in the forecasts for the fiscal year ending May 2026, the figures reflect the impact of this stock split. If the stock split is not taken into account, basic earnings per share would be 99.75 yen.

* Notes

(1) Application of specific accounting for the semi-annual financial statements: None

(2) Changes in accounting policies, Changes in accounting estimates, Retrospective restatement

(i) Changes in accounting policies based on revisions of accounting standard: None

(ii) Changes in accounting policies other than (i): None

(iii) Changes in accounting estimates : None

(iv) Retrospective restatement : None

(3) Number of shares issued (common stock)

(i) Total number of issued shares at the end of the period (including treasury shares)

As of November 30, 2025	7,579,215 shares
As of May 31, 2025	7,222,320 shares

(ii) Number of treasury shares at the end of the period

As of November 30, 2025	- shares
As of May 31, 2025	- shares

(iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Six months ended November 30, 2025	7,301,688 shares
Six months ended November 30, 2024	5,881,320 shares

(Note) On September 1, 2025, a stock split was conducted at a ratio of 3 shares for each common share. "Number of shares issued at end of period" and "Average number of shares" have been calculated assuming that the stock split was conducted at the beginning of the previous fiscal year.

* The second quarter (interim) financial results report is not subject to review by certified public accountants or audit firms.

Note regarding appropriate use of forecasts and other special items

(Cautionary Statement Regarding Forward-Looking Statements)

Forward-looking statements such as earnings forecasts contained in this document are based on information currently available to the Company and on certain assumptions deemed reasonable. They are not intended as a guarantee of achievement by the Company.

Actual results may differ significantly due to various factors.

(How to obtain supplementary materials for financial results)

The supplementary financial results materials will be disclosed on TDnet on January 13, 2026, and will be promptly posted on our website after disclosure.

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1. Overview of Operating Results, etc.

(1) Overview of operating results for the interim period

Our company has set the mission of "Making excitement commonplace around the world," and provides a one-stop cross-border e-commerce platform consisting of the overseas customer purchase support service "WorldShopping" and the cross-border e-commerce support service for domestic e-commerce sites, "WorldShoppingBIZ."

During the interim period (June 1, 2025 to November 30, 2025), the global economy remained firm, supported by factors such as the easing of high inflation. On the other hand, in the United States, in addition to the implementation of interest rate cuts, turmoil caused by changes in tariff policies has continued to require close attention to foreign exchange rate fluctuation risks. Furthermore, the outlook remains uncertain due to the situation in Ukraine and ongoing instability in the Middle East.

Under these circumstances, we have continued to provide safe and secure customer services, including fraud prevention and multilingual customer support. In addition, in response to the abolition of the de minimis rule in the United States, we have worked to reduce the decline in consumer sentiment among overseas customers due to concerns about customs duties by introducing a prepaid customs duty system with certain delivery carriers. Furthermore, in conjunction with Black Friday, we distributed coupons and launched special web pages to encourage greater member engagement.

For domestic e-commerce shops, we have continued to regularly co-host seminars with various companies that support cross-border e-commerce, leading to the acquisition of new shops. For existing shops, we have held in-person networking events to strengthen relationships between our company and the shops, as well as among the shops themselves. In addition, we have launched the "Inbound Swipe" service, in addition to "Inbound Navi" and "Tabinaka Click," thereby enhancing our inbound support model. We have worked to maximize the customer service capabilities of shops at every stage of the customer journey—before, during, and after travel—and to improve customer LTV. Furthermore, we have started partnerships with JTB and Beyond, and in addition to the advertising integration function already provided with Meta, we have begun offering Google Ads optimization features, further strengthening the ability of shops to attract customers.

As a result, the operating results for the six months ended November 30, 2025 were as follows: Net sales were 683,010 thousand yen (down 1.5% YoY), operating profit was 117,934 thousand yen (down 32.5% YoY), ordinary profit was 124,035 thousand yen (down 24.8% YoY), and net income was 85,762 thousand yen (down 19.7% YoY).

As the Company operates a single segment, the cross-border e-commerce platform business, segment information is omitted.

(2) Overview of Financial Positions for the Interim Period

(Assets)

At the end of the interim accounting period, current assets amounted to 2,250,887 thousand yen, an increase of 279,703 thousand yen compared to the end of the previous fiscal year. This was mainly due to a decrease of 122,717 thousand yen in consumption taxes refund receivable, while cash and deposits increased by 289,174 thousand yen, deposits paid increased by 65,233 thousand yen, and other current assets increased by 53,144 thousand yen. Non-current assets amounted to 71,306 thousand yen, a decrease of 85,293 thousand yen compared to the end of the previous fiscal year. This was mainly due to a decrease of 95,000 thousand yen in guarantee deposits.

As a result, total assets amounted to 2,322,193 thousand yen, an increase of 194,409 thousand yen compared to the end of the previous fiscal year.

(Liabilities)

Current liabilities at the end of the interim period amounted to 1,093,892 thousand yen, an increase of 93,677 thousand yen compared to the end of the previous fiscal year. This was mainly due to a decrease in income taxes payable by 57,847 thousand yen, while contract liabilities increased by 134,851 thousand yen. Non-current liabilities amounted to 8,204 thousand yen, a decrease of 5,016 thousand yen compared to the end of the previous fiscal year. This was due to a decrease in long-term borrowings by 5,016 thousand yen.

As a result, total liabilities amounted to 1,102,096 thousand yen, an increase of 88,661 thousand yen compared to the end of the previous fiscal year.

(Net assets)

At the end of the interim accounting period, total net assets amounted to 1,220,097 thousand yen, an increase of 105,748 thousand yen compared to the end of the previous fiscal year. This was due to an increase of 10,054 thousand yen each in share capital and capital surplus as a result of the exercise of share acquisition rights, as well as an increase in retained earnings due to the recording of net income of 85,762 thousand yen.

As a result, the equity to total assets ratio was 52.5% (52.4% at the end of the previous fiscal year).

(3) Overview of Cash Flows for the Interim Period

Cash and cash equivalents (hereinafter referred to as "funds") at the end of the interim period amounted to 1,452,470 thousand yen, a decrease of 10,825 thousand yen compared to the end of the previous fiscal year.

The cash flows for the six months ended November 30, 2025 and their factors are as follows.

(Cash flows from operating activities)

Funds obtained from operating activities amounted to 218,141 thousand yen (an increase of 181.0% YoY). This was mainly due to pre-tax net income of 123,987 thousand yen, a decrease in consumption taxes refund receivable of 122,717 thousand yen, an increase in contract liabilities of 134,851 thousand yen, and income taxes paid of 88,570 thousand yen.

(Cash flows from investing activities)

Funds used as a result of investing activities amounted to 242,437 thousand yen (compared to 78 thousand yen used in the same period of the previous year). This was mainly due to payments into time deposits of 300,000 thousand yen and proceeds from refund of guarantee deposits of 100,000 thousand yen.

(Cash flows from financing activities)

Funds provided by financing activities amounted to 13,470 thousand yen (compared to a use of 7,930 thousand yen in the same period of the previous year). This was mainly due to repayments of long-term borrowings of 6,516 thousand yen and proceeds from issuance of shares resulting from exercise of share acquisition rights of 19,986 thousand yen.

(4) Explanation regarding forecasts and other forward-looking statements

There are no changes to the forecasts for the fiscal year ending May 2026 from the forecasts announced on July 14, 2025.

2. Interim Financial Statements and Main Notes (1) Interim Balance Sheet

(Unit: Thousands of yen)

	Previous fiscal year (May 31, 2025)	For the six months (November 30, 2025)
Assets		
Current assets		
Cash and deposit	1,463,296	1,752,470
Accounts receivable - trade	7,789	10,419
Merchandise	44,673	47,441
Advance payments to suppliers	13,732	5,380
Prepaid expenses	35,404	33,516
Consumption taxes refund receivable	247,253	124,535
Deposits paid	139,878	205,111
Other	19,997	73,141
Allowance for doubtful accounts	(840)	(1,130)
Total current assets	1,971,184	2,250,887
Non-current assets		
Property, plant, and equipment	3,775	3,160
Intangible assets	-	11,684
Investment Other assets		
Guarantee deposits	101,394	6,394
Long-term prepaid expenses	1,507	717
Deferred tax assets	49,921	49,349
Total investment and other assets	152,824	56,461
Total non-current assets	156,599	71,306
Total assets	2,127,783	2,322,193
Liabilities		
Current liabilities		
Trade payables	264,838	278,840
Current portion of long-term borrowings	13,032	11,532
Accounts payable	196,939	182,596
Accrued expenses	5,699	4,769
Income taxes payable	101,305	43,458
Contract liabilities	401,671	536,523
Other	16,728	36,171
Total current liabilities	1,000,214	1,093,892
Non-current liabilities		
Long-term borrowings	13,220	8,204
Total non-current liabilities	13,220	8,204
Total liabilities	1,013,434	1,102,096
Net assets		
Shareholders' equity		
Share capital	398,430	408,484
Capital surplus	538,714	548,768
Retained earnings	177,034	262,796
Total shareholders' equity	1,114,178	1,220,049
Share acquisition rights	170	48
Total net assets	1,114,348	1,220,097
Total liabilities and net assets	2,127,783	2,322,193

(2) Interim Statement of Income

(Unit: Thousands of yen)

	Previous interim period From June 1, 2024 Until November 30, 2024	For the six months (From June 1, 2025 Until November 30, 2025)
Revenue	693,368	683,010
Cost of sales	223,904	223,402
Gross profit	469,464	459,607
Selling, general and administrative expenses	294,630	341,672
Operating profit	174,834	117,934
Non-operating income		
Interest income	76	1,431
Commission income	-	13,181
Interest on tax refund	451	326
Foreign exchange gains	2,016	-
Other	49	310
Total non-operating income	2,594	15,250
Non-operating expenses		
Interest expense	374	268
Commission expenses	9,475	4,475
Listing expenses	2,000	-
Foreign exchange losses	-	4,147
Other	677	258
Total non-operating expenses	12,527	9,149
Ordinary profit	164,900	124,035
Extraordinary losses		
Loss on retirement of fixed assets	-	47
Total extraordinary losses	-	47
Income before income taxes	164,900	123,987
Income taxes - current	62,298	37,652
Income taxes - deferred	(4,137)	572
Total income taxes	58,161	38,225
Net income	106,738	85,762

(3) Interim Statement of Cash Flows

(Unit: Thousands of yen)

	Previous interim period From June 1, 2024 Until November 30, 2024	For the six months (From June 1, 2025 Until November 30, 2025)
Cash flows from operating activities		
Income before income taxes	164,900	123,987
Depreciation	140	747
Increase (decrease) in allowance for doubtful accounts	(521)	290
Interest income	(76)	(1,431)
Interest expense	374	268
Loss on retirement of fixed assets	-	47
Decrease (increase) in trade receivables	1,054	(2,630)
(Increase) decrease in inventories	(22,781)	(2,768)
Decrease (increase) in advance payments to suppliers	2,727	8,351
Decrease (increase) in prepaid expenses	(5,082)	1,887
Decrease (increase) in consumption taxes refund receivable	(34,377)	122,717
Decrease (increase) in deposits paid	(53,703)	(65,233)
Increase (decrease) in trade payables	28,280	14,002
Increase (decrease) in accounts payable (negative indicates decrease)	(34,072)	(14,759)
Increase (decrease) in accrued expenses	(1,868)	(929)
Increase (decrease) in contract liabilities	57,086	134,851
Other	(6,020)	(13,819)
Subtotal	96,059	305,580
Interest received	76	1,399
Interest paid	(358)	(268)
Income taxes refund (paid)	(18,148)	(88,570)
Cash flows from operating activities	77,629	218,141
Cash flows from investing activities		
Payments into time deposits	-	(300,000)
Net decrease (increase) in short-term loans receivable	-	(25,989)
Purchase of property and equipment	-	(2,257)
Purchase of intangible assets	-	(9,190)
Payments of guarantee deposits	(78)	(5,000)
Proceeds from refund of guarantee deposits	-	100,000
Cash flows from investing activities	(78)	(242,437)
Cash flows from financing activities		
Repayment of long-term borrowings	(7,930)	(6,516)
Proceeds from issuance of shares resulting from exercise of share acquisition rights	-	19,986
Cash flows from financing activities	(7,930)	13,470
Increase (decrease) in cash and cash equivalents	69,620	(10,825)
Cash and cash equivalents at the beginning of the period	685,128	1,463,296
Balance of cash and cash equivalents at the end of the interim period	754,748	1,452,470

(4) Notes to the interim financial statements

(Notes on Segment Information, etc.)

As the Company operates a single segment, the cross-border e-commerce platform business, segment information is omitted.

(Notes in case of significant changes in the amount of shareholders' equity)

During the interim period, as a result of the exercise of share acquisition rights, share capital and capital surplus each increased by 10,054 thousand yen. As of the end of the interim period, share capital was 408,484 thousand yen and capital surplus was 548,768 thousand yen.

(Notes regarding the assumption of a going concern)

There are no applicable items.

(Significant Subsequent Events)

(Establishment of overseas subsidiary)

At the Board of Directors meeting held on December 16, 2025, the Company resolved to establish a subsidiary in Taiwan.

1. Purpose of establishing the subsidiary

Our mission is to "Make excitement commonplace around the world," and we provide a one-stop cross-border e-commerce platform consisting of the overseas customer purchase support service "WorldShopping" and the cross-border e-commerce support service for domestic e-commerce sites "WorldShoppingBIZ."

As part of our growth strategy to expand the value chain, we have decided to establish a subsidiary with the aim of strengthening our marketing functions overseas and establishing a business foundation. Taiwan, our target market, is positioned as an important market for the expansion of our business due to its strong cross-border e-commerce market growth and its high number of inbound tourists to Japan, indicating a high affinity with Japanese merchandise. At the new subsidiary, we will strive to maximize awareness of our services and customer acquisition by implementing effective marketing and inbound strategies that accurately capture local customer insights. In addition, by strengthening partnerships with local companies and feeding back research information, we aim to maximize sales opportunities for our domestic e-commerce sites and expand the total transaction volume of our group as a whole.

2. Overview of Subsidiaries

(1) Name	吉克查克股份有限公司 Zig-Zag Taiwan Co.,Ltd.	
(2) Location	Taipei City, Taiwan	
(3) Title and name of representative	Chairman Wataru Matsuno	
(4) Business Overview	Marketing support and others in the Taiwan market	
(5) Share capital	500,000 Taiwan dollars (approximately 2,500,000 yen)	
(6) Scheduled date of establishment	March 1, 2026 (scheduled)	
(7) Major Shareholders and Shareholding Ratios	100% owned by the Company	
(8) Relationship between the listed company and the relevant company	Capital relationship	Established as a wholly owned subsidiary
	Personnel relationships	Directors and employees of the Company are scheduled to concurrently serve as directors.
	Business relationship	Scheduled to undertake contracted work from our company