



## Financial results for May-2026 (Q2)

zig-zag, Inc.

Tokyo Stock Exchange (Growth Market) : 340A

January 13, 2026

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# Financial Highlights

## Financial Highlights

### Q2 Performance

#### Q2 Financial Performance Progress largely in line with initial plans

- Revenue 680M JPY (YOY -1% / budgetary progress 42%)
- Operating income 110M JPY (YOY -32% / budgetary progress 36%)

### Regional Trends

#### Trends by Region Sales to North America slowed as anticipated, but Asia is growing

- The temporary sales slowdown due to changes in U.S. tariff policy (mid-Q2) has been factored into the plan.
- While the ratio of North America within the total GMV declined, Asia continued to grow.

### Future Outlook

#### Future Outlook Full-year forecast remains: Increase in both revenue and profit

- Revenue temporarily slowed, but we continued growth investment. Operating income and Net income decreased.
- We expect increased revenue and profit for the full fiscal year.

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## Service Outlook

~ We don't just "Sell Overseas,"  
we "Create Global Fans" ~

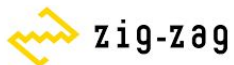
## What we do?

Simplify cross-border EC with a single line of JavaScript tag,  
connecting your e-commerce site with customers around the world

Japanese EC Shop



Overseas Customers



Connect customers and shops  
comfortably around the world

# WorldShopping and WorldShopping BIZ are a Cross-Border EC Platform where both services work together to provide value

## WorldShopping For Overseas Customers Purchasing Agent Solutions

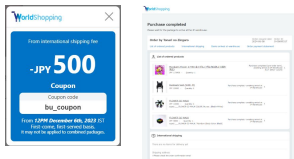
Safe

Secure

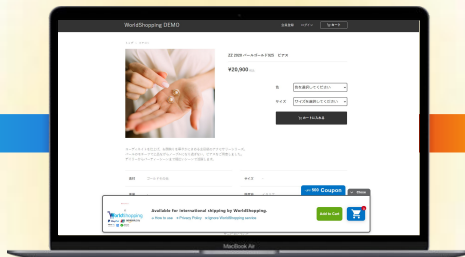
Simple

Easy, safe, and secure purchase of products from EC site that do not support overseas sales

- Various payment methods and multiple international shipping options UI/UX that is distinctly different from conventional complicated import agency services.
- Safe and secure service with UI/UX that is differentiated from conventional complicated import agency services.
- Exclusive coupons for overseas customers and the ability to combine products from different shops into one package.
- Save on shopping with exclusive international coupons, combined shipping of items from different shops, and more.



### Owned EC site



## WorldShoppingBIZ For EC Shops Overseas Sales Solution

Shopping Cart for Overseas

International Payment

Fraudulent Payment Prevention

Multilingual Customer Support

Overseas Shipping

Adding JS tag\* quickly transforms a domestic EC site into an international one

- We provide a cart function exclusively for overseas customers, various types of overseas payments, CS support, overseas shipping, and prevention of unauthorized payments.
- No-code control of overseas sales availability by product and by country (patented)
- Dashboard for sales support, access/purchase analysis, overseas
- Provides access/purchase analysis and overseas sales promotion functions on a sales support dashboard.

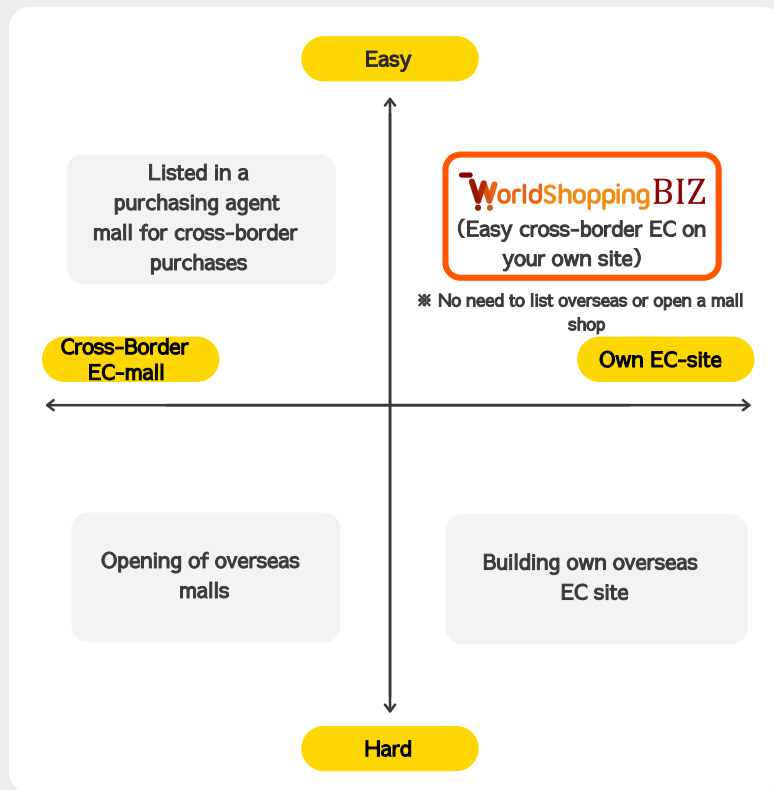


※ JS: JavaScript, a programming language that controls the behavior of a web page.

# Unique position realizing cross-border e-commerce

## "easily" on "your own site".

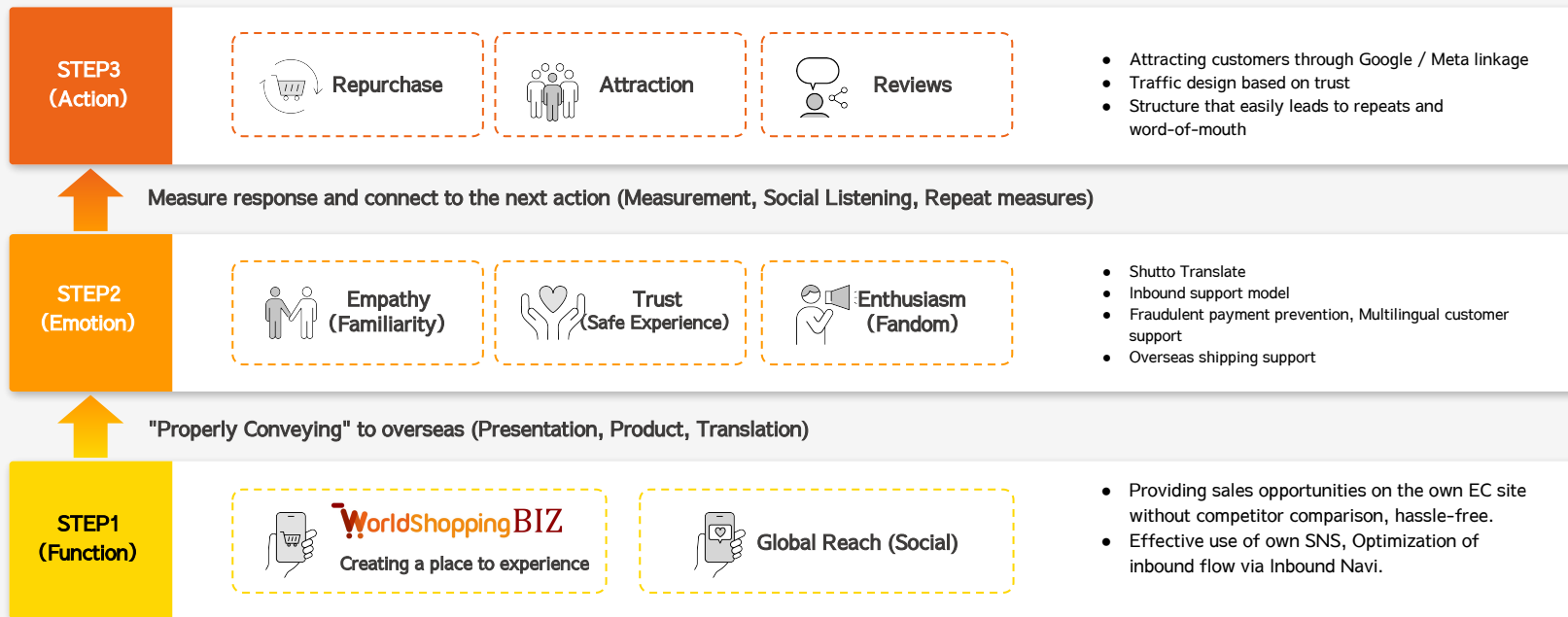
By enabling the company's own EC site for global sales without listing products on external marketplaces, we provide: (1) Sales opportunities without being compared side-by-side with competitors' products, and (2) A hassle-free experience.





## Our Philosophy

A 3-layer structure to build fans globally via Owned EC and nurture relationships

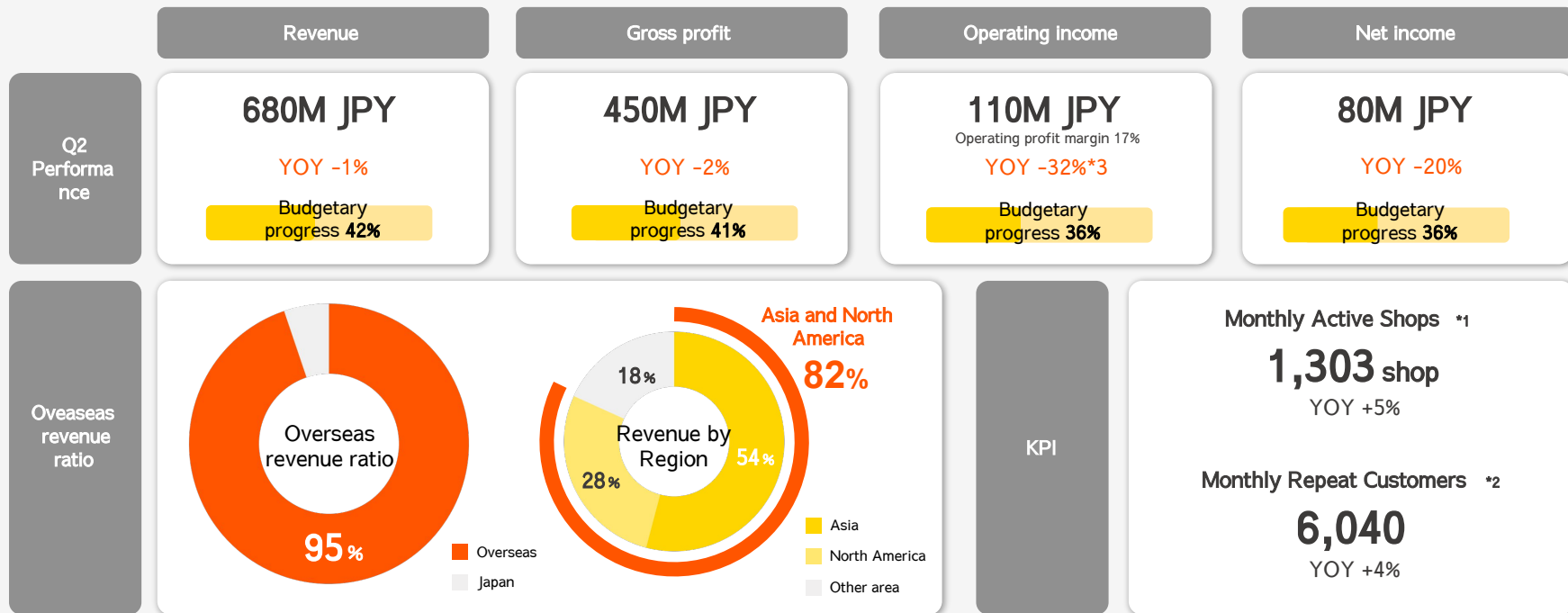


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## Fiscal Year May-2026 (Q2) Financial Results

## Fiscal Year May-2026 (Q2) Highlights

Incorporated the temporary decline in consumer confidence due to changes in U.S. tariff policy until the middle of the second quarter.



\*1 Number of shops with overseas sales in the current month (monthly average per quarter) among shops that have activated WorldShopping BIZ

\*2 Number of customers who have made multiple purchases in a given shop in the past 12 months (monthly average per quarter)

\*3 Profit decreased due to continued investment despite temporary revenue slowdown; profit increase expected for the full year.

## Revenue and Operating income Performance

While growth speed slowed temporarily due to U.S. tariff impact, revenue continues to grow. Achieved profitability while making upfront investments.

### Revenue Growth

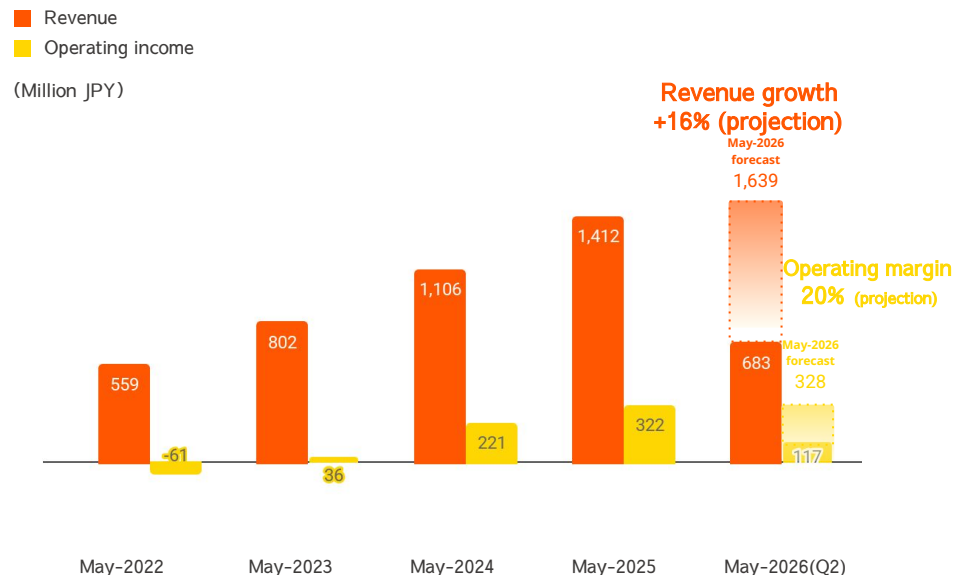
#### Revenue growth: +16% (May-2026 projection)

Stable growth by expanding the number of shops and @shop sales after the installation of WorldShopping BIZ. Temporary impact of U.S. tariffs has been factored in.

### Stable profitability

#### Operating margin 20% (May-2026 projection)

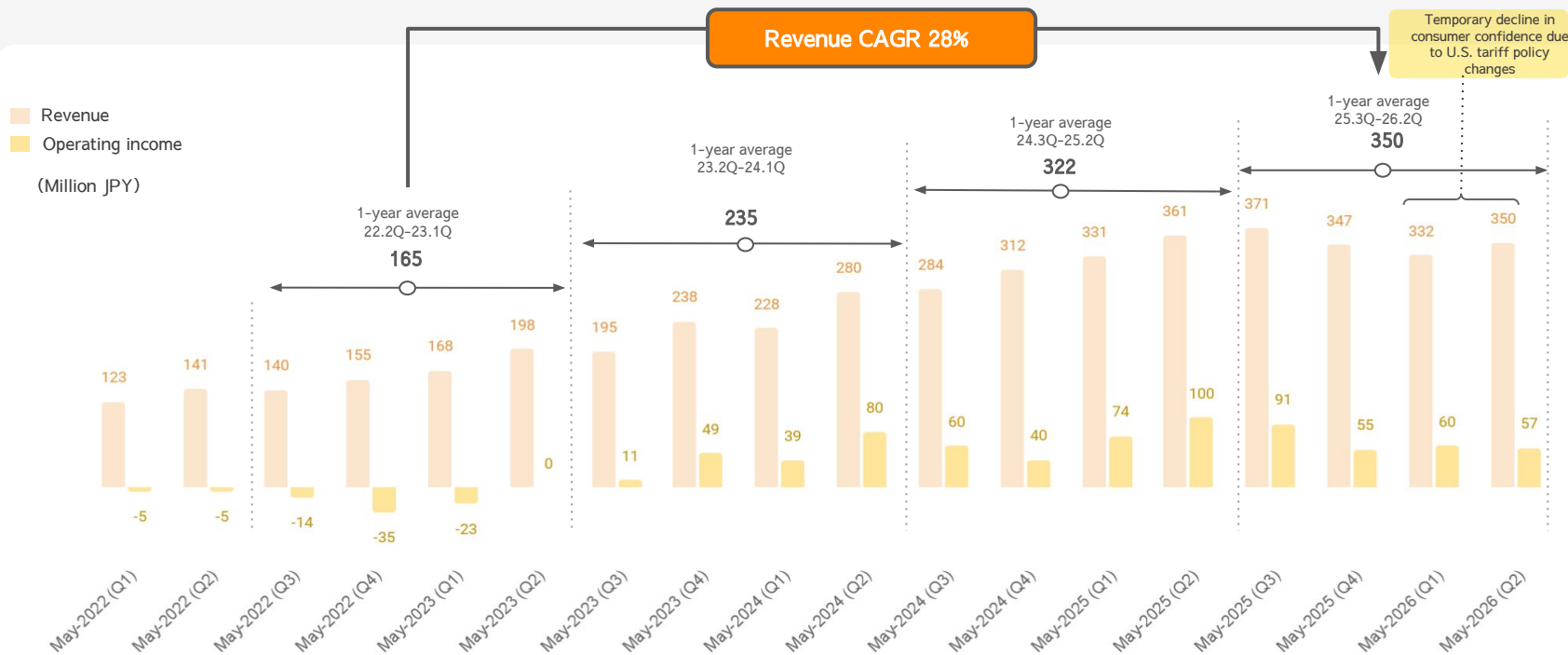
Surpassed the break-even point in May-2023. We are executing medium-term growth investments while maintaining profitability. Further profit growth is expected through revenue expansion.



## Revenue Growth Rate

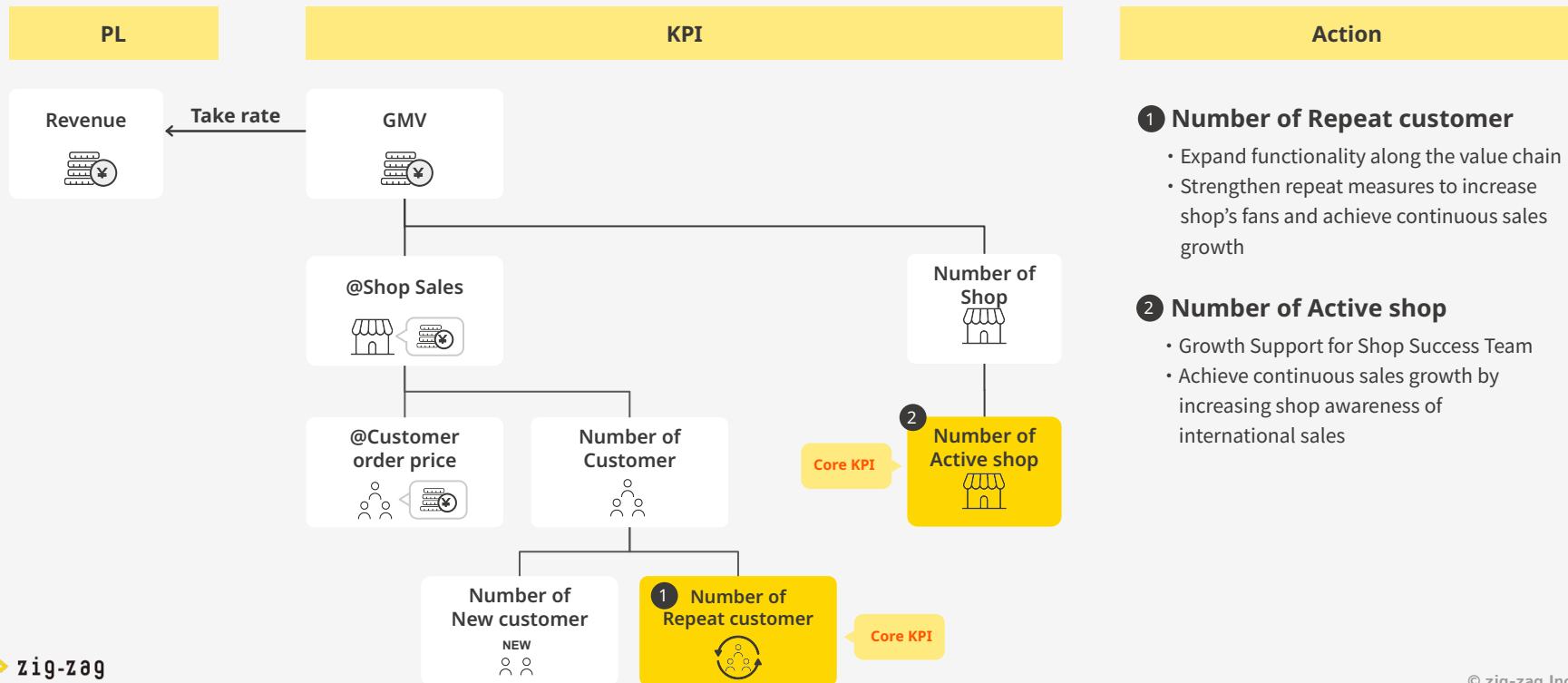
## Maintain high revenue growth rate and stable operating income.

Stable growth continues, although revenue fluctuates depending on the timing of merchant goods launches. In the current fiscal year, a recovery trend is seen from the latter half of Q2.



## PL and KPI tree

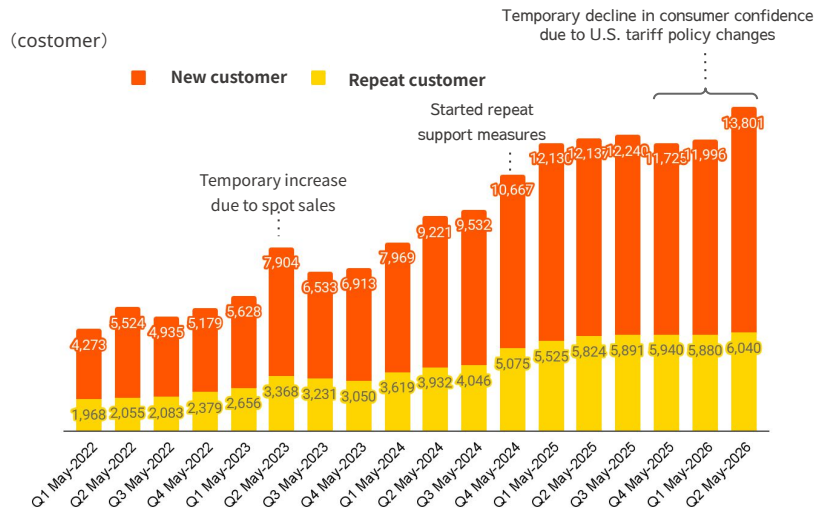
Focus on the number of repeat customers and active shops in order to increase the number of shop's fans and increase the number of shops engaged in international sales.



## Core KPI Repeat Customers • Active Shops

## Monthly Repeat Customers \*1

- Decrease from Q4 May-2025 to Q2 May-2026 due to lower consumer confidence caused by the change in U.S. tariff policy, but this is expected to be a temporary trend.

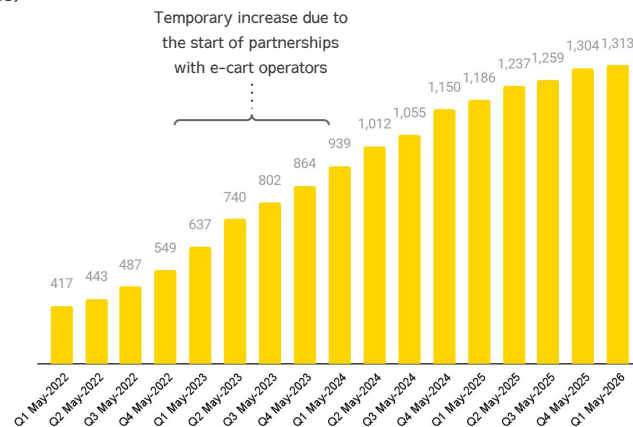


\*1 Number of customers who have made multiple purchases in a given shop in the past 12 months (monthly average per quarter)

## Monthly Active Shops \*2

- Continuous growth year-on-year. Q2 May-2026 was flat due to release trends.

(Shops)



\*2 Number of shops with overseas sales in the current month (monthly average per quarter) among shops that have adopted WorldShopping BIZ

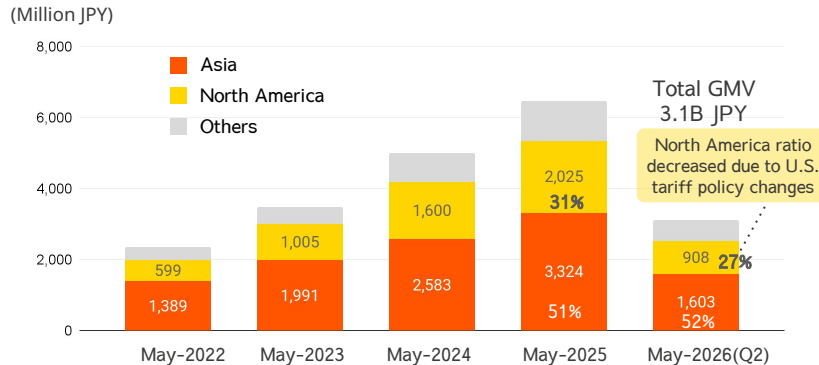
## Breakdown of sales (GMV)

U.S. tariffs will slow the growth of sales to North America, but stable growth is expected.

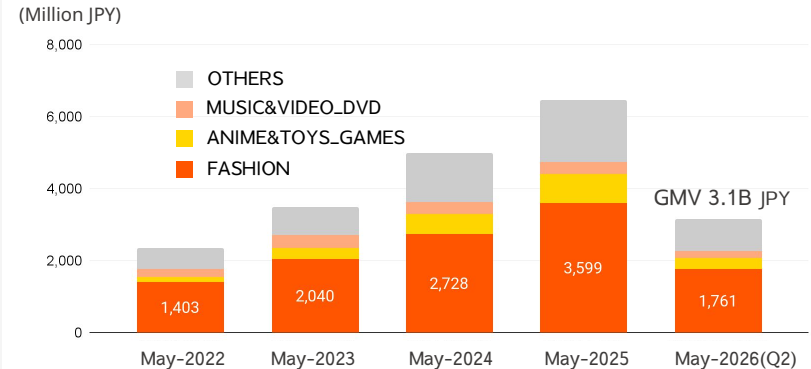
ANIME & TOYS\_GAMES category will be affected, but we expect this to be a temporary impact as demand in the entertainment sector remains strong.

- In the Asian market, demand is growing due to the popularity of fashion and household goods.
- In the North American market, the fashion needs of Asian consumers living in North America as well as local consumers are being met.
- Demand for entertainment products is strong among overseas customers and is expected to continue to grow.

GMV by Region



GMV by Shop category



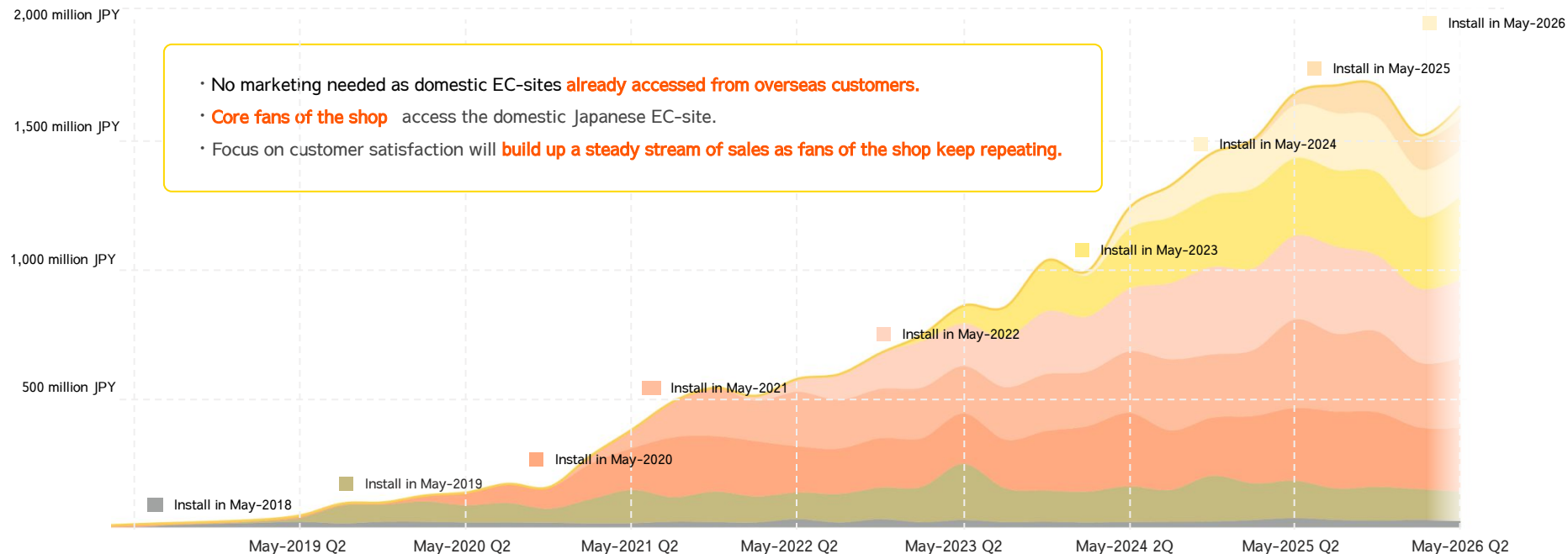


## Accumulation of GMV\*

## Business model that builds up sales per shop

Quarterly GMV breakdown by year in which "WorldShoppingBIZ" was installed

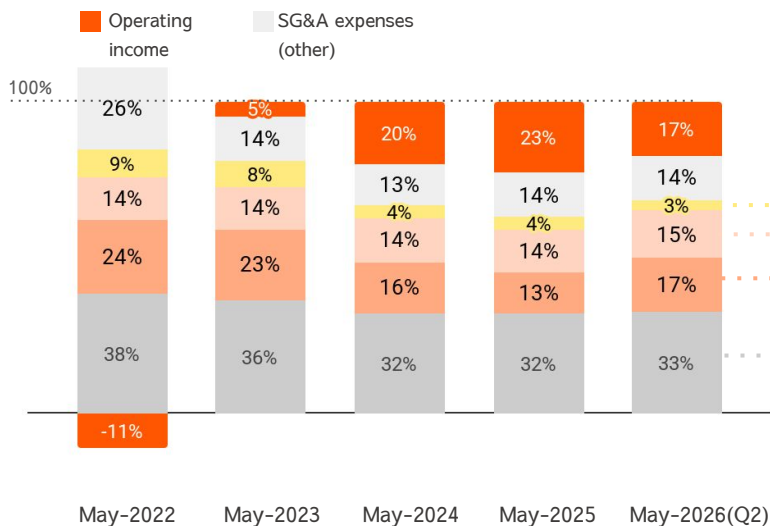
\*Total settlement amount of "WorldShopping" on a shipment basis, billing amount of "WorldShoppingBIZ" and other sales



## Cost structure

Business model that does not require large advertising and sales promotion costs relative to revenue. Profitability continuously improves as revenue scale expands.

### Cost to revenue ratio



#### SG&A expenses (advertising and sales promotion expenses)

Maintains a lower level than normal EC business (approx. 20%\*1) due to existing access from overseas. Increase or decrease strategically.

#### SG&A expenses (Fees and commissions)

This is primarily a settlement fee of customer payment for orders. Remains flat as it is linked to revenue.

#### SG&A expenses (personnel expenses)

Increased management department personnel costs to strengthen the management system for business expansion.

#### Cost of Goods sold

Cost of Goods sold Structure where cost ratio declines in line with sales expansion. Although the profit margin has temporarily declined in Q2 May-2026 due to conservative sales planning, the full-year forecast is expected to remain at the same level as in May-2025.

\*1 2025/01/15 EC no Mikata <https://ecnomikata.com/ecnews/45738/>

## Budgetary progress

(Million JPY)	May-2026 Q2 actual	May-2026 forecast	budgetary progress
Revenue	683	1,639	42%
Operating income	117	328	36%
Operating margin	17%	20%	-3pt
Ordinary income	124	328	38%
Net income	85	240	36%

### Revenue

- Revenue Expect growth in @shop sales through an increase in WorldShopping BIZ shops and repeat customers.
- Full-year forecasts incorporate a temporary decline in consumer confidence due to U.S.
- tariff policy changes. Q2 results were generally in line with forecasts.

### Operating Income

- Operating income In May-2026, we will manage operations with an awareness of the balance between upfront investment and profitability for long-term growth. We expect to achieve an operating margin of 20% while strengthening products for inbound travelers and marketing.
- Q2 results were generally in line with forecasts.

### Ordinary/Net Income

- Ordinary Income / Net Income One-time expenses recorded in the previous year related to overseas taxation were reduced (+12 million JPY in 1Q). This will be utilized as investment capacity.



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## Growth Strategy

Size of the market where  
foreigners who are fans of Japan  
" want to buy but can't "  
through Japanese e-commerce.

Approx. **880** billion yen <sup>\*1</sup>

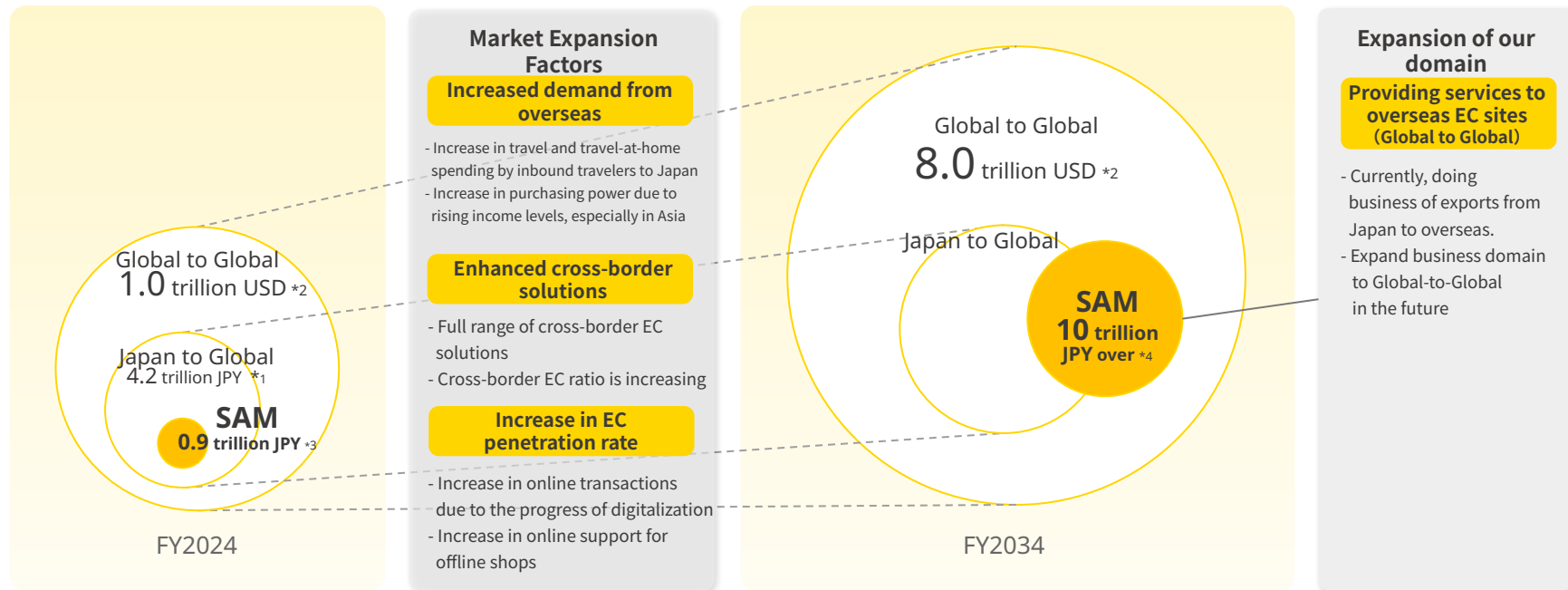
<sup>\*1</sup> Domestic EC market 22 trillion yen (B to C retail 15.2 trillion yen + C to C retail 2.5 trillion yen + B to B retail 4.2 trillion yen) x Overseas access ratio 2-8% = 440 billion yen - 1.8 trillion yen

Source) Domestic EC market: Ministry of Economy, Trade and Industry's Ordinance on Electronic Commerce Market Survey for Fiscal Year 2024.

<https://www.meti.go.jp/press/2025/03/202503061005/2025031001-a.pdf>

Overseas access ratio: Results of our survey using the access analysis tool (Similarweb) for EC site activating WorldShopping BIZ

## Cross-border EC is expected to grow 8-fold in 10 years.



\*1 Cross-border EC sales from Japan to China and the U.S. (based on estimates for 2023 from the Ministry of Economy, Trade and Industry's FY2024 Digital Transaction Environment Improvement Project).

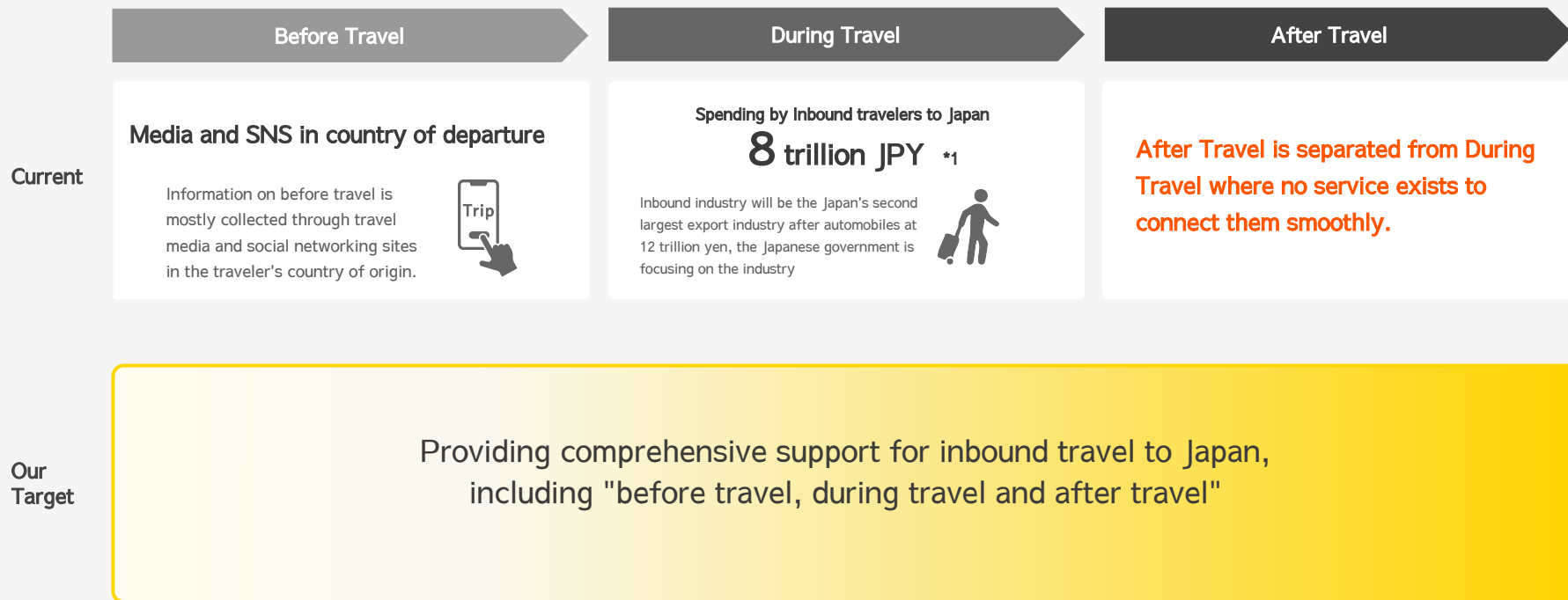
\*2 Expert Market Research (estimated figures in 2025)

\*3 2024 Domestic EC market 22 trillion yen (B to C retail 15.2 trillion yen + C to C retail 2.5 trillion yen + B to B retail 4.2 trillion yen) x Overseas access ratio 2-8% = 440 billion yen - 1.8 trillion yen

\*4 Japan to Global (2024 SAM x 8 times = 7 trillion yen) plus a portion of Global to Global (assumed to be 0.5% of 8.0 trillion USD)

SAM: serviceable addressable market

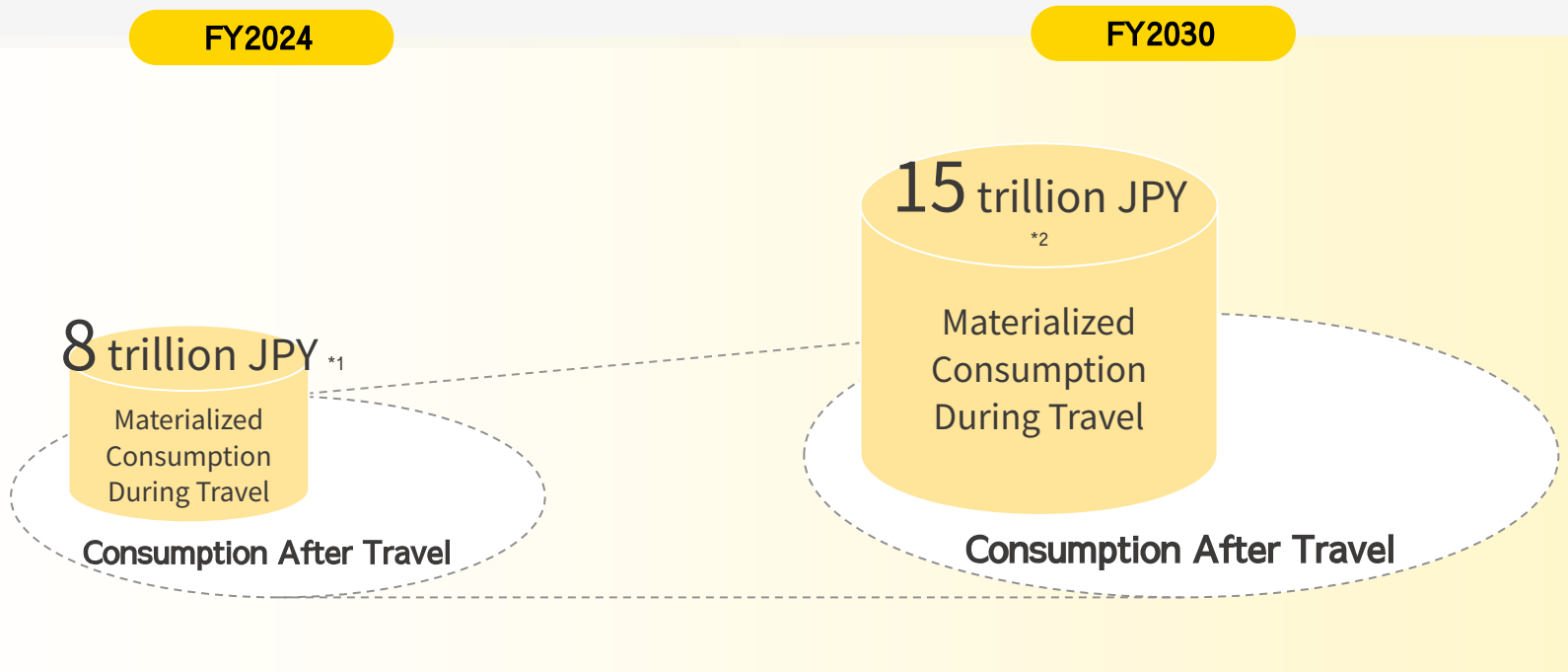
## Approach to inbound travelers



\*1 : Japan Tourism Agency, "Survey of Inbound Consumption Trends (2024)"

## Inbound to Japan Market Size

Consumption by visitors to Japan is expected to continue to grow substantially. The increase in the number of fans of Japan will expand consumption after travel that occurs after returning home.



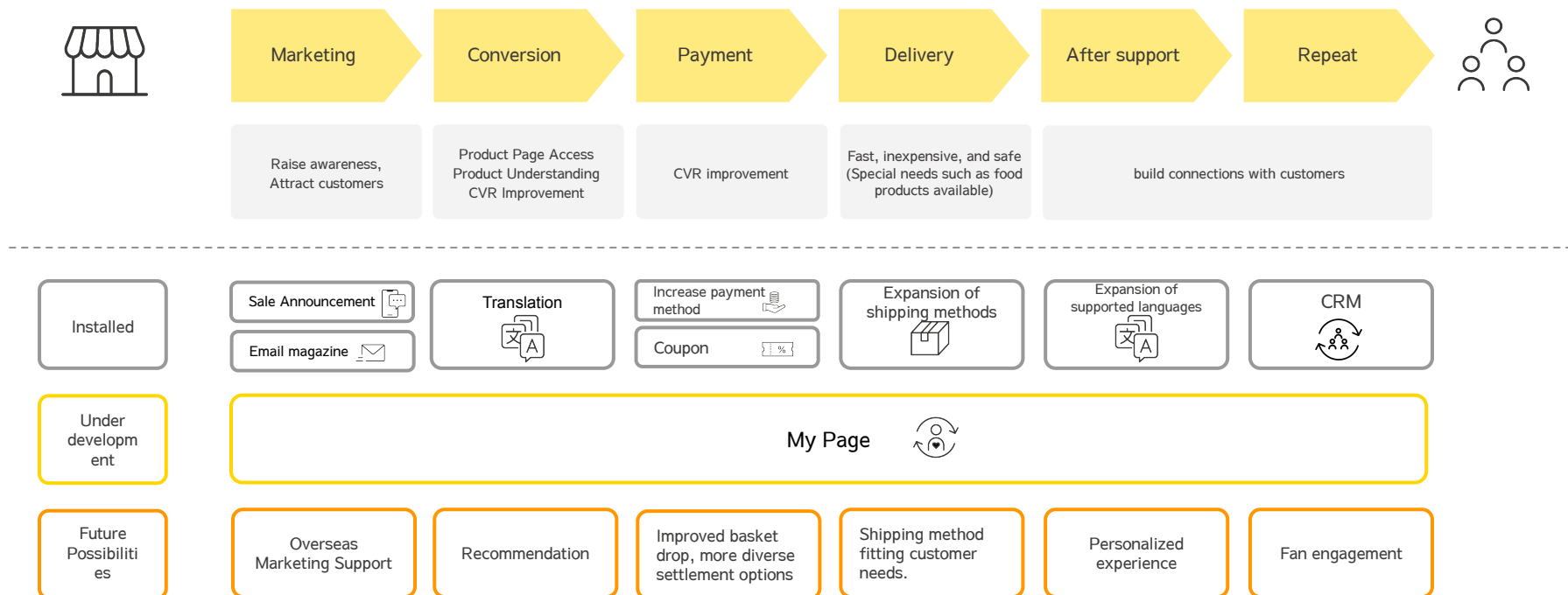
\*1 Japan Tourism Agency, "Survey of Inbound Consumption Trends (2024)"

\*2 Japan Tourism Agency "Basic Plan for the Promotion of Tourism Nation



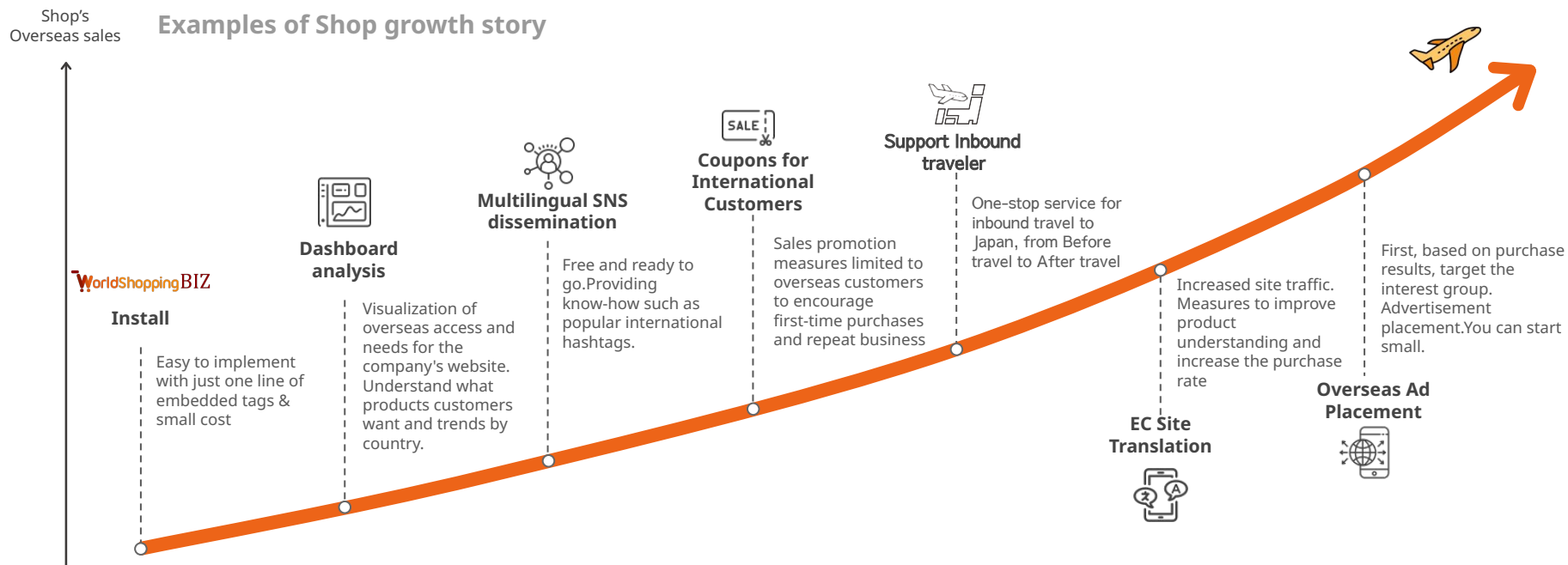
# Growth strategy / Expansion of functions along the value chain

Expand functionality along the value chain to connect shops and customers



## Shop Growth Story

Overseas sales comes up immediately after installation by converting existing access into sales.  
That experience will leads shop to a cycle for taking action for growth resulting even better performance.



## Growth strategy roadmap

Promote product refinement based on customer needs and data-driven initiatives. In the medium- to long-term, we aim to expand beyond "Japan to Global" to "Global to Global."

### Japan to Global

Product Brush Up



Maximize LTV by absorbing shop and customer needs, improving UX, and smoothly connecting with them. Accumulation of purchase data.

AI, through technology  
Sales optimization and operational efficiency



Utilize AI and technology to optimize recommendations, channel construction, and reach methods based on customer needs, purchasing trends, and other data. Improve efficiency of customer support and logistics operations

### Global to Global

Expanding our overseas bases  
from Global to Global



After establishing a cross-border EC model from Japan to the world, After establishing a cross-border EC model from Japan to the rest of the world, we developed our overseas bases. Provide cross-border EC functions to overseas EC shops and connect them with customers.



# 5 Topics

# Response to US Tariff Policy Changes

Speedy response to external environmental changes (elimination of U.S. de minimis tax exemption) to reduce anxiety for overseas customers.

## Environment

**External Environment: Elimination of U.S. de minimis rule (August 2025)**

→ Anxiety about increased burden on U.S. customers.

## Response from Delivery Carriers

→ EMS (Japan Post)      Suspended acceptance  
ECMS      DDU\*1 acceptance suspended

## Impact on Customers

- Initially, WorldShopping only supported DDU, making the affordable ECMS option unavailable.
- Anxiety due to the total payment amount being undetermined until the arrival of goods.

## Response

**Our Response Prompt system modification (September 2025).**

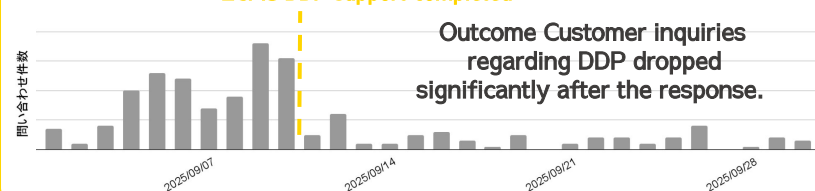
→ Started supporting DDP\*2 via ECMS.

## Impact on Customers

- Selection of cheaper carriers (ECMS) restored.
- Total payment amount confirmed before shipping, improving transparency.

DDP-related inquiries

ECMS DDP support completed



\*1 DDU: Duties paid on delivery. Customers pay duties upon receipt of goods.

\*2 DDP: Duties prepaid. Customers pay duties at the time of order.

## Launched a new service for inbound travel to Japan

STEP1  
(Function)

STEP2  
(Emotion)

STEP3  
(Action)

Provides comprehensive support for inbound travel to Japan, from Google Map optimization to repeat purchases on cross-border EC, maximizing the ability of shops to serve overseas customers.

### Before Travel

Information gathering and planning

STEP3  
(Action)



to realize the "see before you visit" concept.

**「Inbound Navi」™**

Batch posting of shop information in English on major platforms such as Google Maps

Visualization of inbound demand through overseas ranking measurement tools

Promotion of word-of-mouth and reviews by foreign visitors to Japan

### During Travel

Experience/Shopping

STEP2  
(Emotion)



STEP2  
(Emotion)



Shopping without luggage

**「In-Travel Click」™**



**NEW!** swipe type landing page

**「Inbound Swipe」**

QR codes installed in real shops

Swipe-type LP to product page  
Click to buy during the travel

Products are shipped directly to your home overseas  
(realization of "hands-free travel")

### After Travel

Look back and repurchase

STEP1  
(Function)



Keep shopping after you return home

**「WorldShopping BIZ」**

Handling all aspects of cross-border EC,  
including order acceptance, customer support,  
and delivery

Repeat purchases are available after  
returning home.

※1 : Source: Japan Tourism Agency, "The 4th Tourism Nation Promotion Basic Plan"

## Partnership for Deploying the Inbound Support Model

Partnerships with BEYOND and JTB BÓKUN to support "Inbound Navi" introduction and accelerate inbound support.

WorldShoppingBIZ × BEYOND

Alliance with BEYOND Built a cooperative system for regional expansion.

Promote regional revitalization and the expansion of inbound demand through the nationwide adoption of "Inbound Navi".



Supporting the introduction of "Inbound Navi" to regional stores and tourist spots through BEYOND's strong network with local governments. Promoting regional revitalization.

JTB+BÓKUN  
体験アクティビティ予約管理システム

Activity Booking & Inventory Management

WorldShoppingBIZ

Comprehensive Cross-border EC Support with a Single Tag

Promote inbound consumption by connecting experiences to purchases through the nationwide adoption of "Inbound Navi".

JTB BÓKUN provides an activity reservation/ inventory management system. Collaborating to support the introduction of "Inbound Navi" utilizing their extensive operator network.

# Strengthening Global Marketing

STEP3  
(Action)



Started service enabling efficient ad delivery via machine learning by providing purchase data to Google Ads (following Meta integration).

NEW!!

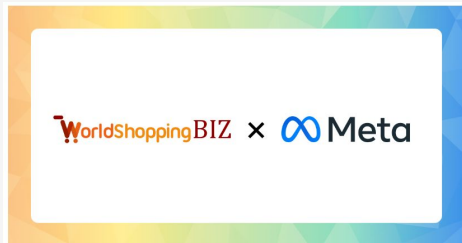
Meta integration

2024.7

Google Integration

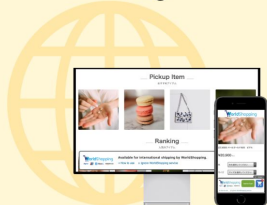
2025.11

WorldShopping BIZ strengthens overseas advertising and sales promotion by providing purchase data to Google Ads.



## Functional Overview

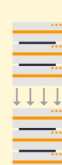
**Comprehensive Cross-border  
EC Support with a Single Line  
of Tag**



Overseas customer  
completes order on  
WorldShopping.



Purchase data  
linked to Google  
Ads.



Optimize Google  
Ads using data.





## Client Implementation Results

Established a proven track record with Meta Ads. With the ability to now provide conversion data to Google Ads, the options for leveraging advertising are expanding.

## Meta Ads



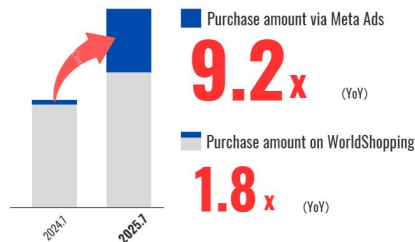
Daytona International Co., Ltd.

Cross-border EC sales via **Meta Ads** increased **9.2x** in one year!

What are the **key points** for effective ad operations discovered through rigorous testing!?

WorldShoppingBIZ

Sales via Meta Ads grew significantly at Daytona International.



※Created based on values measured via UTM parameters in the Shop Dashboard.

## Meta Ads

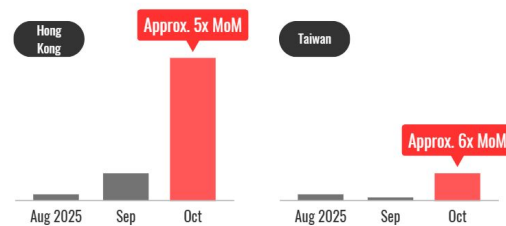


Laugh Valley Co., Ltd.

Cross-border EC sales from Hong Kong & Taiwan increased **over 5x** via Meta Ads!

WorldShoppingBIZ

Sales Change in Hong Kong & Taiwan Before and After Using Meta Ads



※ Calculated based on values measured in the WorldShopping BIZ Shop Dashboard.

## Establishment of Taiwan Subsidiary

Targeting Taiwan (2nd largest shipping destination) as a key market. Establishing a local entity in March 2026.

### Subsidiary Overview

Name	吉克查克股份有限公司 Zig-Zag Taiwan Co.,Ltd.
Location	Taipei, Taiwan
Establishment	March 2026 (Planned)
Shareholding	100% owned by the Company
Purpose	<p>Positioned Taiwan, our 2nd largest shipment destination, as a key market and established a local base to further support shops' customer acquisition.</p> <ul style="list-style-type: none"><li>• Build local marketing structure as part of value chain expansion.</li><li>• Deepen local research/customer insights to feed back to shops.</li><li>• Agile deployment of Meta/Google integrations and inbound measures.</li></ul>

# 6

## Answers to preliminary questions

※ Thank you very much for your questions. Similar questions will be answered together.

## Answers to preliminary questions (Assumptions for Earnings Forecasts)

### | Question 1.

The earnings forecast for this fiscal year seems to intentionally lower the growth rate to reflect the impact of U.S. tariff policy. What are the assumptions?

### | Answer 1.

Starting from the fourth quarter of the fiscal year ending May 2025, we have seen the effects of a decline in consumer confidence among our overseas customers.

Since our customers are mainly "fan customers" who go out of their way to visit Japanese-language e-commerce sites to purchase the products they want, demand is solid, and we believe the impact of the decline in consumer confidence will be temporary.

However, we expect it will take a certain period for this trend to recover, and **we conservatively forecast sales for the first quarter and part of the second quarter of the fiscal year ending May 2026.**

**First and second quarter results have been generally in line with our plans.**

## Answers to preliminary questions (U.S. de minimis tax exemption)

### Question 2.

The elimination of the U.S. de minimis tax exemption was scheduled for 2027 but was brought forward to August 2025. Was there an impact on performance?

### Answer 2.

**The impact of the elimination of the de minimis tax exemption is limited.**

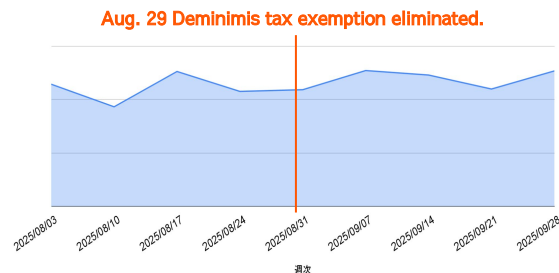
This system was eliminated ahead of schedule on August 29, 2025, due to a sudden change in U.S. policy. We rapidly introduced a system allowing U.S. customers to pre-pay duties (DDP) to alleviate anxiety.

There was no change in the order situation before and after the removal, and demand remained stable.

This is because a slowdown had already occurred in the previous Q4, and our customers are "fan customers" for whom the impact was limited.

Reference:

Before and after the removal of de minimis duty  
Orders from the U.S. (weekly)



## Answers to preliminary questions (Regarding KPI Progress)

### **Question 3.**

Please provide an update on measures to increase repeat customers and active shops.

### **Answer 3.**

To increase the number of repeat customers, we are strengthening customer pathways by utilizing "Google Ads Integration" to link purchase data and the "Inbound Support Model" to connect in-trip touchpoints to post-trip cross-border EC use. Additionally, we are improving engagement through product enhancements based on customer feedback.

Meanwhile, to increase the number of active shops, we are driving adoption through continued partnerships with cart providers by promoting our strength: the ability to "maintain the worldview of the owned EC site."

Furthermore, we are committed to maximizing shop GMV through support from our Shop Success Team, effective dashboard utilization, and feature improvements driven by shop feedback.

## Answers to preliminary questions (Taiwan Subsidiary & Strategy)

### | Question 4.

I would like to ask about the establishment of the Taiwan subsidiary and the mid-to-long-term location strategy. Specifically, regarding the role of the subsidiary in "Japan to Global" and the strategy for "Global to Global" considering geopolitical risks.

### | Answer 4.

Regarding the Taiwan market, it is our 2nd largest shipping destination after the U.S. as of Q2, and we position it as a priority market. We expect growth from the expansion of the cross-border EC market and strong inbound tourism.

The role of the local subsidiary is to strengthen marketing functions by capturing local customer insights. Specifically, through stronger cooperation with Meta/Google and inbound measures, we will contribute to maximizing GMV for Japanese EC operators.

Regarding "Global to Global" expansion and location strategy, we are currently carefully considering optimal business models and areas. We recognize geopolitical risks as a significant management issue and intend to build a flexible structure that does not rely overly on specific regions.

## Handling of this document

- This material has been prepared for the purpose of providing information on the Company and is not intended as a solicitation to buy shares issued by the Company.
- This material contains forward-looking statements. These forward-looking statements are based on information available to the Company at the time of preparation of this material, but the accuracy, reasonableness, and appropriateness of such information has not been fully verified. Therefore, they are not guarantees of future results and involve risks and uncertainties. Please note that actual results may differ materially from those projected in the forward-looking statements due to changes in the environment and other factors. Factors that may affect the actual results described above include, but are not limited to, domestic and international economic conditions and trends in our related industries.
- This material contains information about other companies, including information about our competitive environment, industry trends and general changes in social structure.