Translation

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Consolidated Financial Results for the Fiscal Year Ended May 31, 2026 (Under Japanese GAAP)

July 14, 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 ordinary general meeting of shareholders:	August 27, 2026
Scheduled date for dividend payment:	None
Scheduled date for submission of securities report:	August 26, 2026
Supplementary materials for financial summaries:	Yes
Financial results briefing:	None

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

1. Consolidated Financial Results for the Fiscal Year Ended May 31, 2026 (from June 01, 2025 to May 31, 2026)

(1) Consolidated operating results (Percentages indicate YoY changes)

	Revenue		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Fiscal year ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
May 31, 2026	1,500	-	289	-	307	-	227	-
May 31, 2025	-	-	-	-	-	-	-	-

(Note) Comprehensive income Fiscal year ended May 2026 227 million yen (-%) Fiscal year ended May 2025 - million yen (-%)

	Basic earnings per share	Diluted earnings per share	Rate of return on equity	Ordinary income to total assets ratio	Net sales Operating profit ratio
Fiscal year ended	Yen	Yen	%	%	%
May 31, 2026	30.31	28.51	16.6	11.9	19.3
May 31, 2025	-	-	-	-	-

(Reference) Investment profit (loss) on equity method Fiscal year ended May 2026 - million yen Fiscal year ended May 2025 - million yen

(Note) 1. Since consolidated financial statements have been prepared from the fiscal year ending May 2026, the YoY changes for the fiscal year ending May 2026, as well as the figures and YoY changes for the fiscal year ending May 2025, are not presented.

2. A stock split at a ratio of 3 shares for each 1 share of common stock has been conducted effective September 1, 2025. Basic earnings per share and Diluted earnings per share have been calculated assuming that the relevant stock split was conducted at the beginning of the fiscal year ending May 2026.

3. For the fiscal year ending May 2026, the rate of return on equity and the ordinary profit ratio on total assets are calculated based on year-end owner's equity and year-end total assets, respectively, because it is the first year of consolidation.

(2) Consolidated financial positions

	Total assets	Equity	Equity to total assets ratio	Net assets per share
As of	Million yen	Million yen	%	Yen
May 31, 2026	2,592	1,374	53.0	177.28
May 31, 2025	-	-	-	-

(Reference) Owner's equity Fiscal year ending May 2026 1,374 million yen Fiscal year ending May 2025 - million yen

(Note) Since consolidated financial statements have been prepared from the fiscal year ending May 2026, figures for the fiscal year ending May 2025 are not presented.

(3) Consolidated cash flows

	Cash flow from operating activities	Cash flows from investing activities	Cash flow from financing activities	Cash and equivalents, end of period
Fiscal year ended	Million yen	Million yen	Million yen	Million yen
May 31, 2026	448	(232)	19	1,698
May 31, 2025	-	-	-	-

(Note) Since consolidated financial statements have been prepared from the fiscal year ending May 2026, figures for the fiscal year ending May 2025 are not presented.

2. Cash dividends

	Annual dividends per share					Total dividends (total)	Payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	End of the first quarter	End of the second quarter	End of the third quarter	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
Fiscal year ended May 31, 2025	-	0.00	-	0.00	0.00	-	-	-
Fiscal year ended May 31, 2026	-	0.00	-	0.00	0.00	-	-	-
Fiscal year ending May 31, 2027 (Forecast)	-	0.00	-	0.00	0.00		-	

3. Consolidated Earnings Forecasts for the Fiscal Year Ending May 31, 2027 (from June 01, 2026 to May 31, 2027)

(Percentages indicate YoY changes)

	Revenue		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Fiscal year ending May 31, 2027	1,793	19.5	212	(26.6)	199	(35.1)	137	(39.5)	17.77

* Notes

(1) Significant changes in the scope of consolidation during the period: Yes
New 1 company (Company name) Jikchak Co., Ltd.
Excluded - companies (Company name) -

(2) Changes in accounting policies, Changes in accounting estimates, Retrospective restatement
(i) Changes in accounting policies based on revisions of accounting standards: None
(ii) Changes in accounting policies other than (i) :None
(iii) Changes in accounting estimates :None
(iv) Retrospective restatement :None

(3) Number of issued shares (common stock)

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

As of May 31, 2026	7,755,435 shares
As of May 31, 2025	7,222,320 shares

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

As of May 31, 2026	- shares
As of May 31, 2025	- shares

(iii) Average number of shares outstanding during the period

Fiscal year ended May 31, 2026	7,510,291 shares
Fiscal year ended May 31, 2025	6,086,552 shares

(Note) The Company conducted a stock split at a ratio of 15 shares for each 1 share of common stock effective August 29, 2024, and a stock split at a ratio of 3 shares for each 1 share of common stock effective September 1, 2025. "Number of shares issued and outstanding at the end of the period" and "Average number of shares" have been calculated assuming that these stock splits were conducted at the beginning of the fiscal year ending May 2025.

(Reference) Summary of Non-consolidated Financial Results

1. Non-consolidated financial results for the fiscal year ended May 31, 2026 (from June 01, 2025 to May 31, 2026)

(1) Non-consolidated operating results (Percentages indicate YoY changes)

	Revenue		Operating profit		Ordinary profit		Net income	
Fiscal year ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
May 31, 2026	1,500	6.2	289	(10.4)	307	(1.0)	227	(7.4)
May 31, 2025	1,412	27.7	322	45.9	310	74.5	245	50.4

	Basic earnings per share	Diluted earnings per share
Fiscal year ended	Yen	Yen
May 31, 2026	30.31	28.51
May 31, 2025	40.37	35.74

(Note) 1. The Company conducted stock splits at a ratio of 15 shares for each 1 share of common stock effective August 29, 2024, and at a ratio of 3 shares for each 1 share of common stock effective September 1, 2025. Basic earnings per share and Diluted earnings per share have been calculated assuming that these stock splits were conducted at the beginning of the fiscal year ended May 31, 2025.

2. Because the Company was listed on the Tokyo Stock Exchange Growth Market on March 31, 2025, diluted earnings per share for the fiscal year ended May 2025 has been calculated by deeming the average stock price from the date of the new listing to the last day of the fiscal year ended May 2025 as the average stock price during the period.

(2) Non-consolidated financial positions

	Total assets	Equity	Equity to total assets ratio	Net assets per share
As of	Million yen	Million yen	%	Yen
May 31, 2026	2,592	1,374	53.0	177.28
May 31, 2025	2,127	1,114	52.4	154.27

(Reference) Owner's equity Fiscal year ended May 2026 1,374 million yen Fiscal year ended May 2025 1,114 million yen

(Note) The Company conducted a stock split at a ratio of 3 shares for each 1 share of common stock effective September 1, 2025. Net assets per share has been calculated assuming that the stock split was conducted at the beginning of the fiscal year ended May 2025.

* Financial results briefings are outside the scope of audits by certified public accountants or audit firms.
* Notes regarding the appropriate use of Forecasts, and other special notes

(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 certain assumptions deemed reasonable by the Company, and are not intended as a promise by the Company that they will be achieved. In addition, actual results, etc. may differ materially due to various factors.

(How to obtain supplementary explanatory materials for financial results)

Supplementary materials for the financial results will be disclosed on TDnet on July 14, 2026, and will be posted on our website promptly after disclosure.

○Table of Contents of Attached Materials

1. Overview of Operating Results, etc.

(1) Overview of Operating results for the current period

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

During the Current consolidated fiscal year (June 1, 2025~May 31, 2026), the global economy remained firm against the backdrop of easing high inflation. While closely monitoring exchange rate risks associated with U.S. trade policy and interest rate cuts, the prolonged geopolitical risks in the Middle East and Ukraine have kept crude oil prices and logistics costs elevated, and the outlook remains uncertain.

Under these circumstances, the Company implemented a pop-up event incorporating cross-border e-commerce in Taipei City, Taiwan, as a marketing initiative aimed at expanding awareness of "WorldShopping," a service for overseas customers, and directly promoted awareness among overseas customers while providing them with a purchasing experience.

In addition, we completed the establishment procedures for the Taiwan subsidiary announced in December 2025 and officially commenced local operations, while also participating in the Japan Cross-Border E-Commerce Association (JACCA) and advancing the development of a framework to strengthen collaboration across the industry as a whole and promote the spread of cross-border e-commerce.

In addition, we provide "WorldShopping Professional Translation" to support multilingual information dissemination and have implemented new features for the "Shop Dashboard" to visualize lost sales opportunities, thereby supporting the enhancement of sales capabilities of domestic e-commerce businesses. At the same time, we continue practical support activities aimed at expanding sales channels in the Taiwan market, which we are focusing on, through the publication of reports on consumer purchasing behavior and the holding of seminars featuring local marketers as speakers.

As a result of these initiatives, in the fourth-quarter consolidated accounting period, the monthly number of active shops for "WorldShoppingBIZ" increased by 32 shops YoY to 1,335 shops, and the monthly number of repeat customers increased by 366 YoY to 6,306. In addition, GMV for the current consolidated fiscal year increased by 454,939 thousand yen from the previous fiscal year to 6,928,875 thousand yen.

As a result of the above, the results for the Current consolidated fiscal year were as follows: Net sales 1,500,339 thousand yen, Operating profit 289,277 thousand yen, Ordinary profit 307,224 thousand yen, and Profit attributable to owners of parent 227,643 thousand yen.

In addition, as the Company's group operates in a single segment, the cross-border e-commerce platform business, no information by segment is provided.

(2) Overview of Financial positions for the current period

(Assets)

Current consolidated fiscal year-end Current assets amounted to 2,506,208 thousand yen. The main components were Cash and deposits of 1,998,468 thousand yen, Consumption taxes refund receivable of 144,308 thousand yen, and Deposits paid of 198,718 thousand yen. Non-current assets amounted to 86,121 thousand yen. The main components were Machinery, equipment and vehicles of 7,312 thousand yen, Software of 13,845 thousand yen, and Deferred tax assets of 54,243 thousand yen. As a result, total Assets amounted to 2,592,330 thousand yen.

(Liabilities)

Current liabilities at the end of the current consolidated fiscal year amounted to 1,213,381 thousand yen. The main components were Accounts payable - trade of 296,291 thousand yen, accounts payable of 236,314 thousand yen, and Contract liabilities of 596,024 thousand yen. Non-current liabilities amounted to 4,102 thousand yen. This was Long-term borrowings of 4,102 thousand yen. As a result, total Liabilities amounted to 1,217,483 thousand yen.

(Net assets)

Total net assets at the end of the Current consolidated fiscal year amounted to 1,374,846 thousand yen. The main components were Share capital of 414,956 thousand yen, Capital surplus of 555,240 thousand yen, and Retained earnings of 404,678 thousand yen. As a result, the Equity to total assets ratio was 53.0%.

(3) Overview of cash flows for the current period

Cash and cash equivalents (hereinafter referred to as "funds") at the end of the current consolidated fiscal year amounted to 1,698,468 thousand yen.

The respective cash flows for the current consolidated fiscal year and the factors affecting them are as follows.

(Cash flows from operating activities)

Net cash provided by operating activities amounted to 448,050 thousand yen. This was mainly due to profit before income taxes of 307,115 thousand yen, a decrease in consumption taxes refund receivable of 102,944 thousand yen, an increase in contract liabilities of 194,353 thousand yen, and income taxes paid of 136,939 thousand yen.

(Cash flow from investing activities)

Net cash used in investing activities amounted to 232,700 thousand yen. This was mainly due to Payments into time deposits 600,000 thousand yen, Proceeds from withdrawal of time deposits 300,000 thousand yen, and Proceeds from refund of guarantee deposits 100,000 thousand yen.

(Cash flows from financing activities)

Net cash provided by financing activities amounted to 19,849 thousand yen. This was due to Repayments of long-term borrowings 13,032 thousand yen and Proceeds from issuance of shares resulting from exercise of share acquisition rights 32,881 thousand yen.

(4) Future outlook

Against the backdrop of solid demand, our group's cross-border e-commerce platform services will continue to expand the business by also capturing inbound demand from visitors to Japan and by consistently engaging with domestic e-commerce websites of customers around the world and providing solutions tailored to their challenges.

Regarding the consolidated Forecasts for the fiscal year ending May 2027, Net sales are expected to be 1,793 million yen (up 19.5% YoY). In addition, assuming investments in personnel associated with the expansion of business scale and investments in product development, Operating profit is expected to be 212 million yen (down 26.6% YoY), Ordinary profit is expected to be 199 million yen (down 35.1% YoY), and Profit attributable to owners of parent is expected to be 137 million yen (down 39.5% YoY).

2. Basic Approach to the Selection of Accounting Standards

To ensure comparability with domestic peer companies, we apply Japanese accounting standards.

3. Consolidated Financial Statements and Main Notes (1) Consolidated Balance sheet

(Unit: Thousands of yen)

	Current consolidated fiscal year (May 31, 2026)
Assets	
Current assets	
Cash and deposit	1,998,468
Accounts receivable - trade	14,542
Merchandise	65,031
Advance payments to suppliers	16,559
Prepaid expenses	39,774
Consumption taxes refund receivable	144,308
Deposits paid	198,718
Other	30,734
Allowance for doubtful accounts	(1,929)
Total current asset	2,506,208
Non-current assets	
Property, plant, and equipment	
Machinery, equipment and vehicles	7,691
Accumulated depreciation	(378)
Machinery, equipment and vehicles, net	7,312
Tools, furniture and fixtures	5,174
Accumulated depreciation	(3,193)
Tools, furniture and fixtures, net	1,981
Total property, plant and equipment, net	9,294
Intangible assets	
Software	13,845
Software in progress	2,334
Total intangible assets	16,180
Investments and other assets	
Guarantee deposits	6,394
Long-term prepaid expenses	8
Deferred tax assets	54,243
Investments and Other assets total	60,646
Total non-current assets	86,121
Total assets	2,592,330

(Unit: Thousands of yen)

	Current consolidated fiscal year (May 31, 2026)
Liabilities	
Current liabilities	
Trade payables	296,291
Current portion of long-term borrowings	9,118
Accounts payable	236,314
Accrued expenses	6,457
Income taxes payable	41,083
Contract liabilities	596,024
Other	28,092
Total current liabilities	1,213,381
Non-current liabilities	
Long-term borrowings	4,102
Total non-current liabilities	4,102
Total liabilities	1,217,483
Net assets	
Shareholders' equity	
Share capital	414,956
Capital surplus	555,240
Retained earnings	404,678
Total shareholders' equity	1,374,874
Accumulated other comprehensive income	
Foreign currency translation adjustment	(27)
Total accumulated other comprehensive income	(27)
Total net assets	1,374,846
Total liabilities and net assets	2,592,330

(2) Consolidated Statement of income and Consolidated Statement of comprehensive income

(Consolidated Statement of income)

(Unit: Thousands of yen)

	Current consolidated fiscal year (From June 1, 2025 to May 31, 2026)
Revenue	1,500,339
Cost of sales	464,441
Gross profit	1,035,897
Selling, general and administrative expenses	746,619
Operating profit	289,277
Non-operating income	
Interest income	4,446
Commission income	22,167
Interest on tax refund	437
Other	553
Total non-operating income	27,604
Non-operating expenses	
Interest expense	462
Foreign exchange losses	7,104
Consumption tax difference	1,512
Other	578
Total non-operating expenses	9,657
Ordinary profit	307,224
Extraordinary losses	
Loss on retirement of fixed assets	109
Total extraordinary losses	109
Income before income taxes Net income	307,115
Income taxes - current	83,792
Income taxes - deferred	(4,321)
Total income taxes	79,471
Net income	227,643
Profit attributable to owners of parent	227,643

(Consolidated Statement of comprehensive income)

(Unit: Thousands of yen)

	Current consolidated fiscal year (From June 1, 2025 to May 31, 2026)
Net income	227,643
Other comprehensive income (loss), net of tax	
Foreign currency translation adjustment	(27)
Other comprehensive income, net of tax	(27)
Comprehensive income	227,616
Profit attributable to	
Comprehensive income attributable to owners of parent	227,616

(3) Consolidated Statement of changes in equity

For the fiscal year ended May 31, 2026

(Unit: Thousands of yen)

	Shareholders' equity				Accumulated other comprehensive income		Share acquisition rights	Total net assets
	Share capital	Capital surplus	Retained earnings	Total shareholders' equity	Foreign currency translation adjustment	Total accumulated other comprehensive income		
Balance at beginning of current period	398,430	538,714	177,034	1,114,178	-	-	170	1,114,348
Changes during period								
Issuance of new shares - exercise of share acquisition rights	16,526	16,526		33,052				33,052
Profit attributable to owners of parent			227,643	227,643				227,643
Changes during period (net) of items other than shareholders' equity					(27)	(27)	(170)	(197)
Total changes during period	16,526	16,526	227,643	260,695	(27)	(27)	(170)	260,498
Balance at the end of the current period	414,956	555,240	404,678	1,374,874	(27)	(27)	-	1,374,846

(4) Consolidated Statement of cash flows

(Unit: Thousands of yen)

	Current consolidated fiscal year (From June 1, 2025) to May 31, 2026)
Cash flow from operating activities	
Income before income taxes Net income	307,115
Depreciation	3,659
Increase (decrease) in allowance for doubtful accounts	1,089
Interest income and dividends income	(4,446)
Interest expense	462
Loss on retirement of fixed assets	109
Decrease (increase) in trade receivables	(6,753)
(Increase) decrease in inventories	(20,358)
Decrease (increase) in advance payments to suppliers	(2,827)
Decrease (increase) in prepaid expenses	(4,369)
Decrease (increase) in consumption taxes refund receivable	102,944
Decrease (increase) in deposits paid	(58,840)
Increase (decrease) in trade payables	31,452
Increase (decrease) in accounts payable - other (- indicates decrease)	41,607
Increase (decrease) in accrued expenses	757
Increase (decrease) in contract liabilities	194,353
Other	(4,949)
Subtotal	581,006
Interest and dividends received	4,446
Interest paid	(462)
Income taxes refund (paid)	(136,939)
Cash flow from operating activities	448,050
Cash flows from investing activities	
Payments into time deposits	(600,000)
Proceeds from withdrawal of time deposits	300,000
Purchase of property and equipment	(10,286)
Purchase of intangible assets	(17,413)
Payments of guarantee deposits	(5,000)
Proceeds from refund of guarantee deposits	100,000
Cash flows from investing activities	(232,700)
Cash flow from financing activities	
Repayment of long-term borrowings	(13,032)
Proceeds from issuance of shares resulting from exercise of share acquisition rights	32,881
Cash flow from financing activities	19,849
Effect of exchange rate change on cash and cash equivalents	(27)
Increase (decrease) in cash and cash equivalents	235,172
Cash and cash equivalents at the beginning of the period	1,463,296
Cash and cash equivalents at end of the period	1,698,468

(5) Notes on consolidated financial statements

(Notes on the going concern assumption)

Not applicable.

(Notes on segment information, etc.)

[Segment Information]

As the Group operates in a single segment, the cross-border e-commerce platform business, disclosure is omitted.

[Related Information]

For the fiscal year ended May 31, 2026

1. Information by finished goods and services

Since Net sales to external customers in the single Finished goods/Services category exceed 90% of Net sales in the consolidated Statement of income, disclosure is omitted.

2.Information by region

(1) Net sales

(Unit: Thousands of yen)

Asia	North America	Other	Total
789,309	436,659	274,370	1,500,339

(Note) Net sales are classified by country or region based on the location of customers.

(2) Property, plant and equipment

Because the amount of Property, plant and equipment located in Japan exceeds 90% of the amount of Property, plant and equipment in the consolidated Balance sheet, disclosure is omitted.

3.Information by major customer

There is no disclosure because there are no customers to whom Net sales to external customers account for 10% or more of Net sales in the consolidated Statement of income.

[Information on Impairment losses of Non-current assets by reportable segment]

Not applicable.

[Information on amortization of goodwill and unamortized balance by reportable segment]

Not applicable.

[Information on Gain on bargain purchase by reportable segment]

Not applicable.

(Notes on per share information)

	Current consolidated fiscal year (From June 1, 2025 to May 31, 2026)
Net assets per share	177.28 yen
Basic earnings per share	30.31 yen
Diluted earnings per share	28.51 yen

(Note) 1. A stock split at a ratio of 3 shares for each 1 share of common stock has been conducted effective September 1, 2025. Basic earnings per share and Diluted earnings per share have been calculated assuming that the relevant stock split was conducted at the beginning of the Current consolidated fiscal year.

2. The basis for calculating net assets per share is as follows.

	Current consolidated fiscal year (May 31, 2026)
Total net assets (thousand yen)	1,374,846
Amount deducted from total net assets (thousand yen)	-
Year-end Net assets attributable to common stock (thousand yen)	1,374,846
Number of common shares at the end of the period used in the calculation of net assets per share (shares)	7,755,435

3. The basis for calculating basic earnings per share and diluted earnings per share is as follows.

	Current consolidated fiscal year (From June 1, 2025 to May 31, 2026)
Basic earnings per share	
Profit attributable to owners of parent (thousand yen)	227,643
Amounts not attributable to common shareholders (thousand yen)	-
Profit attributable to owners of parent attributable to common stock (thousand yen)	227,643
Average number of common shares (shares)	7,510,291
Diluted earnings per share	
Profit attributable to owners of parent Adjustment (thousand yen)	-
Increase in common shares (shares)	474,177
(of which Share acquisition rights (shares))	(474,177)
Overview of potential shares not included in the calculation of diluted earnings per share because they have no dilutive effect	-

(Notes on significant subsequent events)

Not applicable.