zig-zag

Financial result for May-2026 (Q4)

zig-zag, Inc.
Tokyo Stock Exchange (Growth Market) : 340A
July 14, 2026

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Financial Highlights

Financial Highlights

Q4 Performance and FY May-2026 Full-Year Results	**Q4 revenue (Mar-May) hit a record high (YoY +19%).** **Alongside growth, AI efficiency held a stable 19% operating margin.** ● Revenue 1,500M JPY (YoY +6% / Achievement Rate 92%) ● Operating income 290M JPY (YoY -10% / Achievement Rate 88%)
Regional Trends	**Despite U.S. tariff impacts, overall signs of recovery.** ● The U.S., which had slowed since Q4 May-2025 (from Mar-2025), is on a recovery trend due to measures such as DDP* support. ● Asia continued to grow.
FY May-2027 Forecast	**Sustaining growth with strategic upfront investment.** ● Projecting +20% revenue growth on the current recovery trend. ● Operating margin of 12%, from strategic upfront investment (incl. new Taiwan initiatives) plus existing-business investment.

* DDP: Duties prepaid. Customers pay duties at the time of order. In contrast, DDU is duties paid on delivery. Customers pay duties upon receipt of goods.

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Service Outlook

~ Beyond "Selling Overseas": We "Create Global Fans"~

The World zig-zag Aims For

Connect customers and shops comfortably around the world

Shops

Breaking down the barriers to cross-border

- Language barrier
- Payment barrier
- Logistics barrier
- Legal barrier

Customers

Connect via EC

Connect via stores

Connect via local events

Our Philosophy

A 3-layer structure that removes shops' overseas-sales barriers, builds global fans, and nurtures those relationships.

STEP3 (Action)

Repurchase | Attraction | Reviews

- Attracting customers through Google / Meta linkage
- Traffic design based on trust
- Structure that easily leads to repeats and word-of-mouth

Measure response and connect to the next action (Measurement, Social Listening, Repeat measures)

STEP2 (Emotion)

Empathy (Familiarity) | Trust (Safe Experience) | Enthusiasm (Fandom)

- Shutto Translate
- Inbound support model
- Fraudulent payment prevention, Multilingual customer support
- Overseas shipping support

"Properly Conveying" to overseas (Presentation, Product, Translation)

STEP1 (Function)

WorldShoppingBIZ — Creating a place to experience | Global Reach (Social)

- Providing sales opportunities on the own EC site without competitor comparison, hassle-free.
- Effective use of own SNS, Optimization of inbound flow via Inbound Navi.

Products

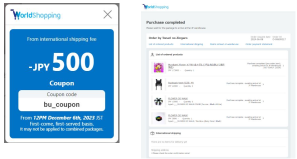
WorldShopping and WorldShopping BIZ are a Cross-Border EC Platform where both services work together to provide value

WorldShopping
For Overseas Customers
Proxy Purchasing Solutions

Safe | Secure | Simple

Easy, safe, and secure purchase of products from EC sites 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.



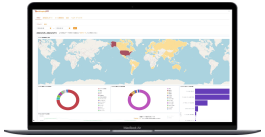
Owned EC site

WorldShopping BIZ
For EC Shops
Overseas Sales Solution

Shopping Cart for Overseas | International Payment | Fraudulent Payment Prevention
Multilingual Customer Support | Overseas Shipping

Adding a JS tag* instantly 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.

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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.

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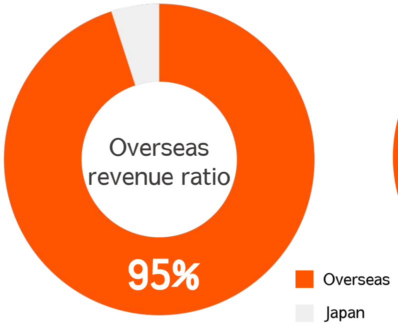
Fiscal Year May-2026 (Q4) Financial Results

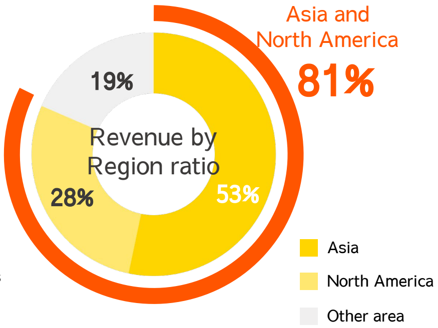
Fiscal Year May-2026 (Q4) Highlights

Despite slowdown from U.S. tariff policies and Middle East tensions, revenue hit a record high; profit temporarily declined due to planned continued investment.

	Revenue	Gross profit	Operating income	Net income
Q4 Performance	**1,500** M JPY YoY +6.2% Achievement Rate **91.5%**	**1,030** M JPY YoY +8.1% Achievement Rate **92.7%**	**290** M JPY (Operating margin 19%) YoY -10.4% Achievement Rate **88.1%**	**230** M JPY YoY -7.4% Achievement Rate **94.8%**

Overseas revenue ratio





KPI

Monthly Active Shops
1,335 shops *1
YoY +2%

Monthly Repeat Customers *2
6,306
YoY +6%

*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)

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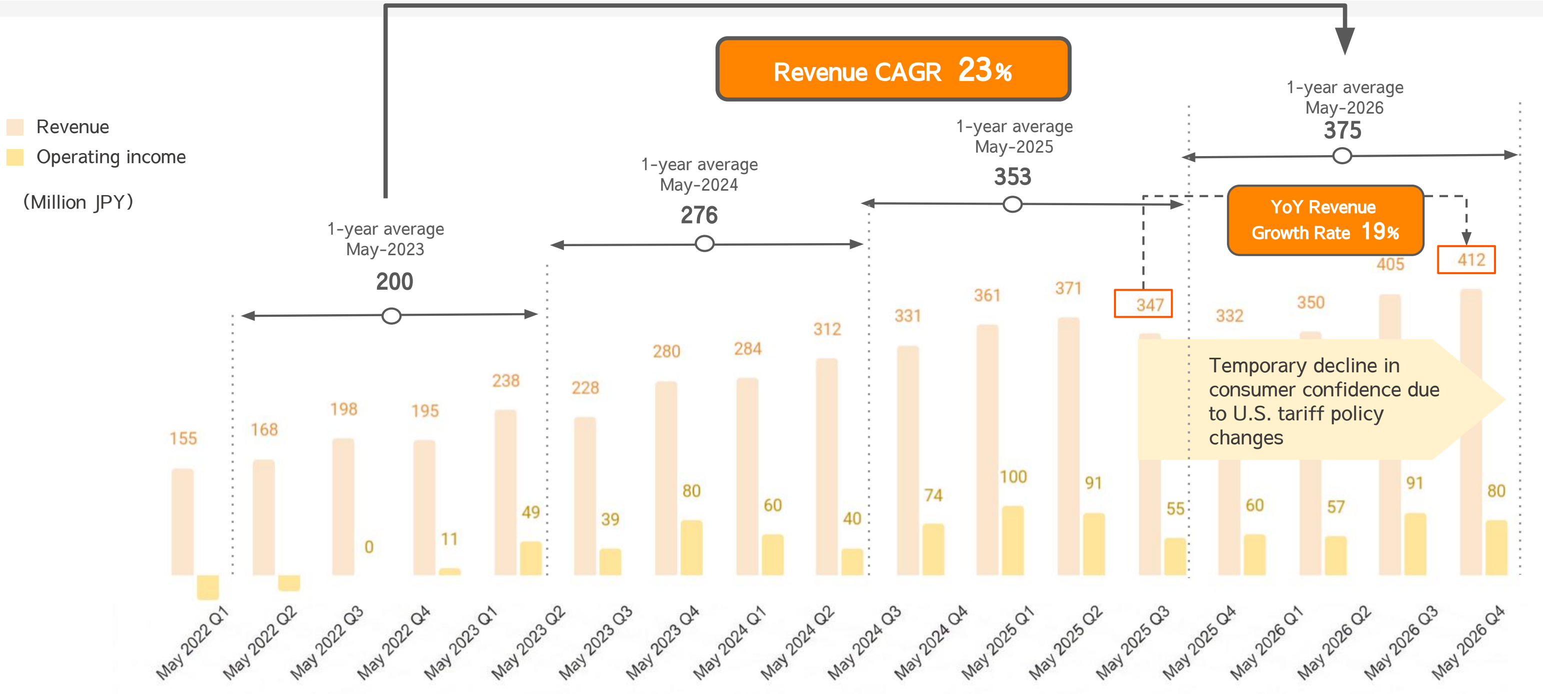
Net Sales and Operating Income Performance

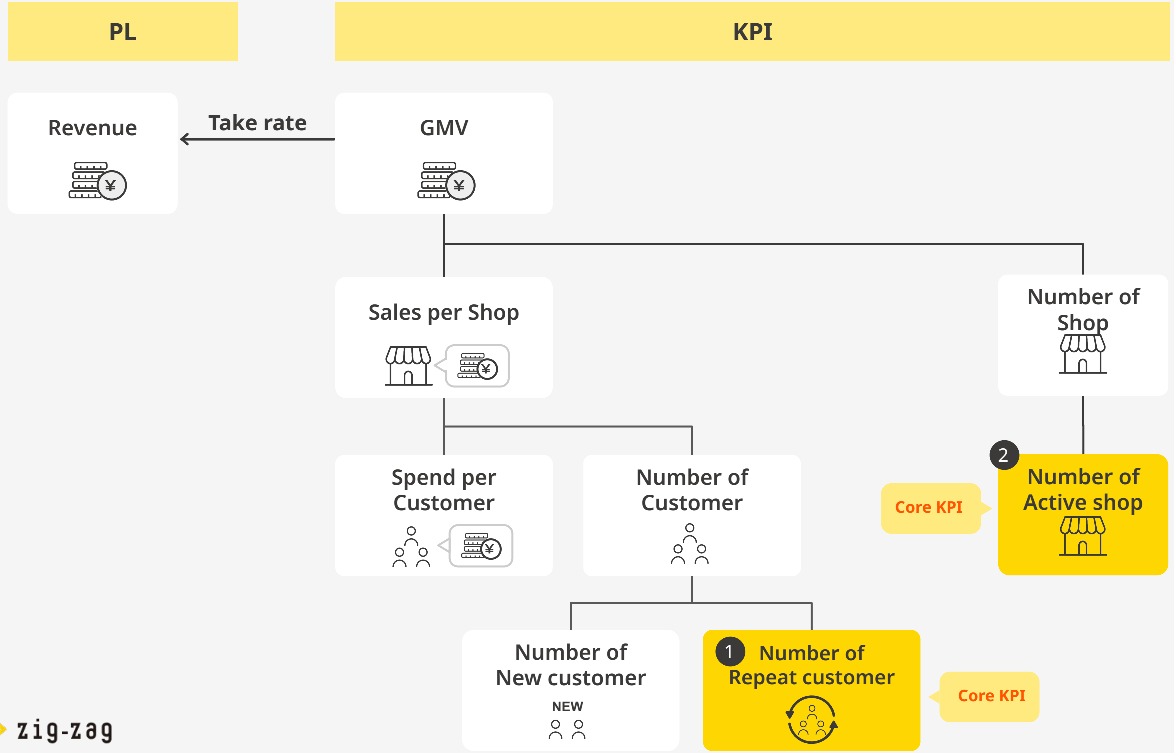
Achieving stable profitability while sustaining continuous revenue growth

Despite U.S. tariff changes and higher crude oil prices from Middle East tensions, Q4 grew YoY +19% thanks to measures such as DDP support.



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.



Action

❶ Number of Repeat customer

- Expand functionality along the value chain
- Strengthen repeat measures to increase shop's fans and achieve continuous sales growth

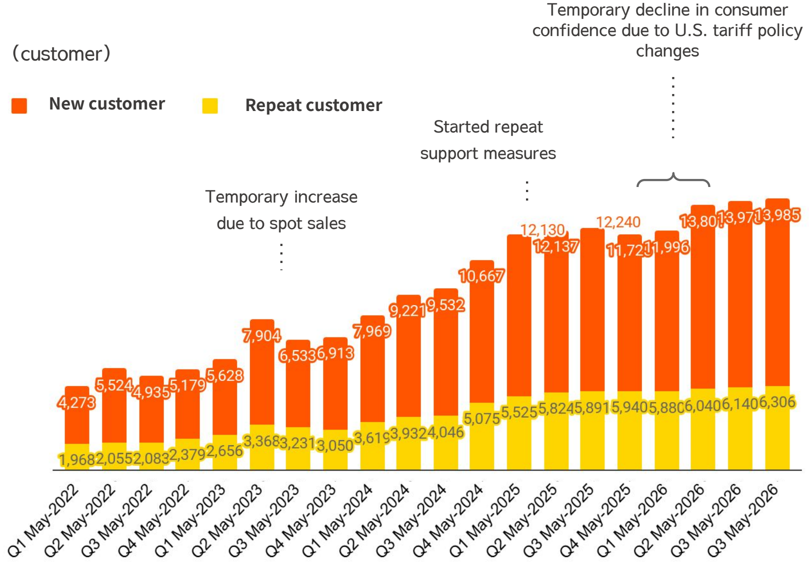
❷ Number of Active shop

- Growth Support for Shop Success Team
- Achieve continuous sales growth by increasing shop awareness of international sales

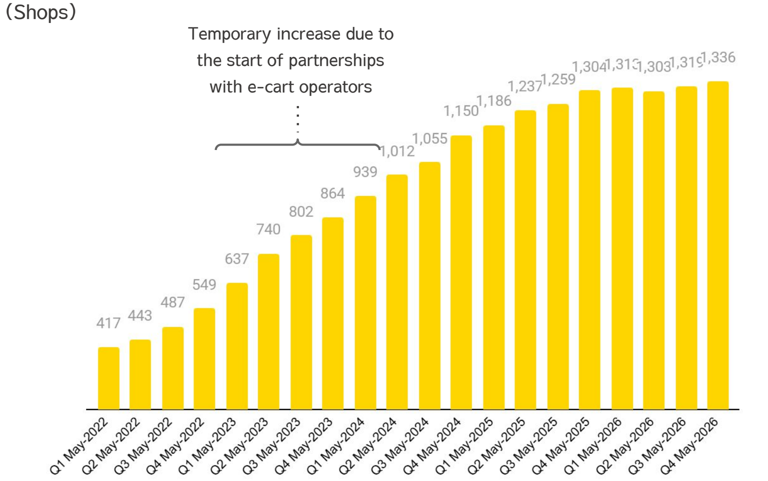
Core KPI Repeat Customers / Active Shops

Continuous growth year-on-year

Monthly Repeat Customers *1



Monthly Active Shops *2

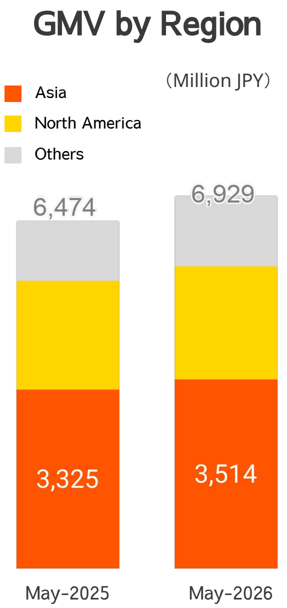


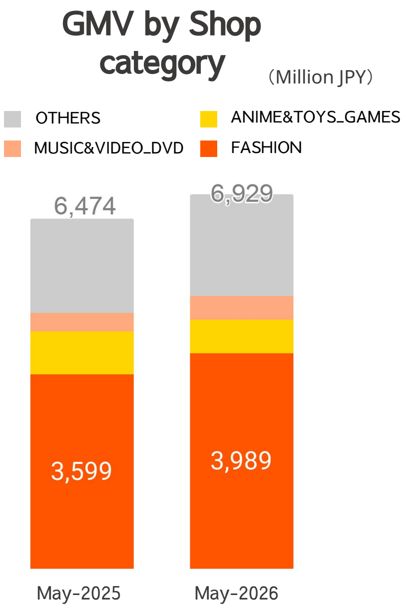
*1 Number of customers who have made multiple purchases in a given shop in the past 12 months (monthly average per quarter)

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

Details of GMV

U.S. tariffs slowed North American sales, but Asia remains steady.
ANIME&TOYS_GAMES category affected, but expected to be a temporary impact as entertainment demand remains strong.





GMV by Region

(Million JPY)	May-2025	May-2026	YoY
Asia	3,325	3,514	+7%
North America	2,026	2,097	+3%
Others	1,123	1,318	+17%
Total	6,474	6,929	+7%

GMV by Shop category

(Million JPY)	May-2025	May-2026	YoY
FASHION	3,599	3,989	+11%
OTHERS	1,739	1,885	+8%
ANIME&TOYS_GAMES	803	618	-23%
MUSIC&VIDEO_DVD	333	437	+31%
Total	6,474	6,929	+7%

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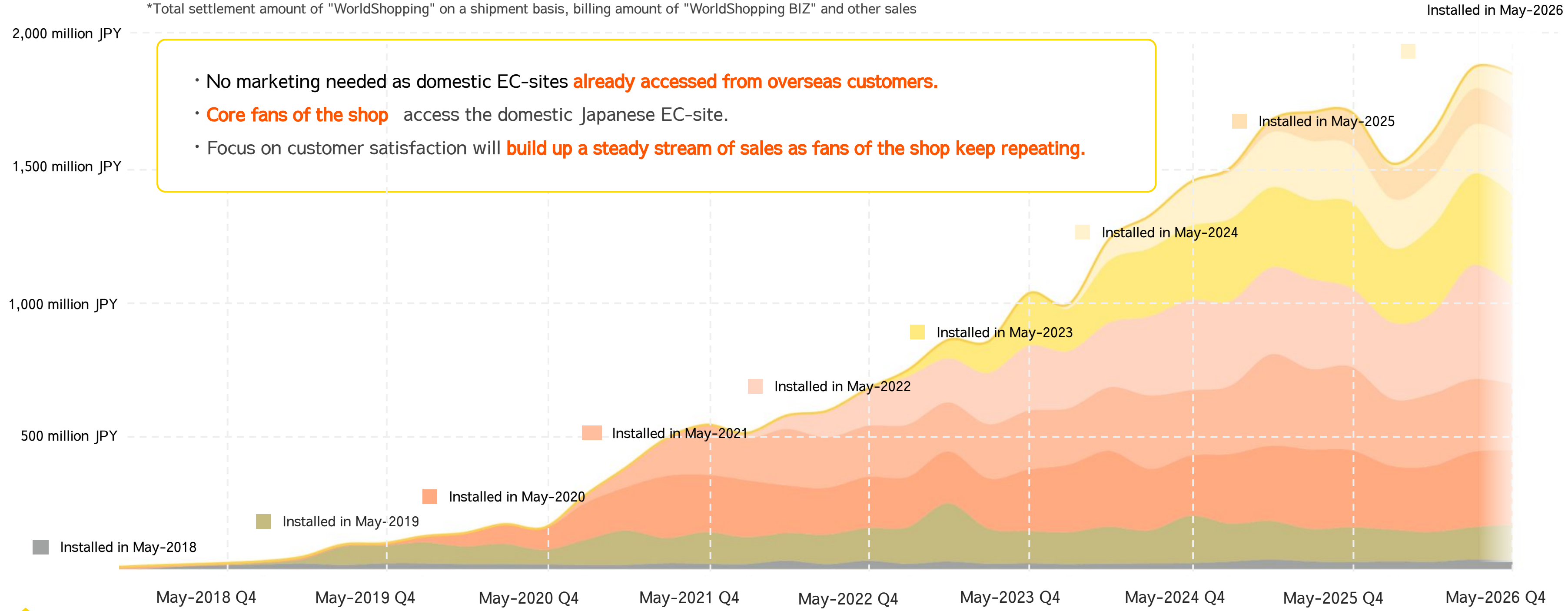
Accumulation of GMV*

Business model that builds up sales per shop

Quarterly GMV breakdown by year in which "WorldShopping BIZ" was installed

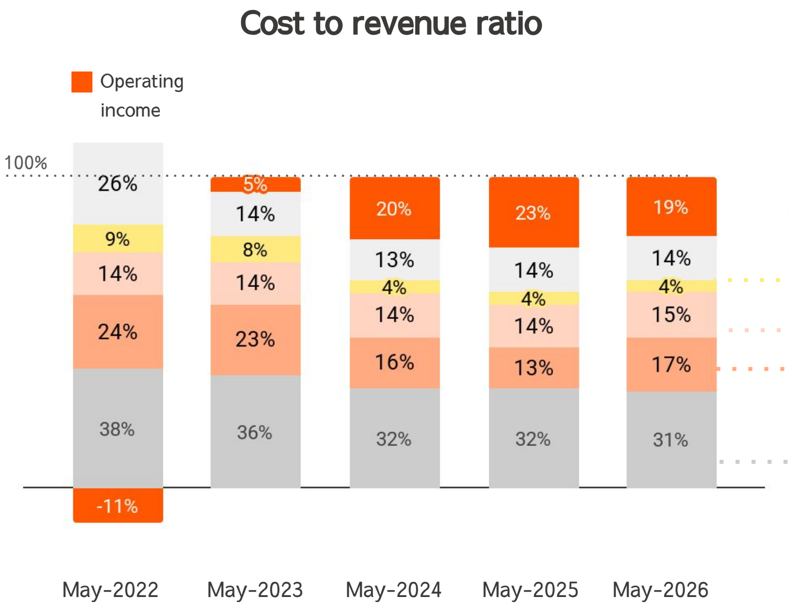
*Total settlement amount of "WorldShopping" on a shipment basis, billing amount of "WorldShopping BIZ" and other sales

- No marketing needed as domestic EC-sites **already accessed from overseas customers.**
- **Core fans of the shop** access the domestic Japanese EC-site.
- Focus on customer satisfaction will **build up a steady stream of sales as fans of the shop keep repeating.**



Cost structure

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



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)
Primarily a settlement fee for customer orders. Remains flat as it is linked to revenue.

SG&A expenses (personnel expenses)
Increased personnel costs for product development and management system reinforcement for business expansion.

Cost of Goods Sold
Structure where cost ratio declines in line with sales expansion.

SG&A expenses (other)

*1 2025/03/26 EC no Mikata https://ecnomikata.com/ecnews/45738/

Business Plan

Revenue: projecting +20% revenue growth in FY May-2027.
Operating income: incorporating investment in existing businesses and strategic investment in new initiatives such as the Taiwan subsidiary, we project an operating margin of 12%.

(Million JPY)	May-2026	May-2027 Forecast	Growth rate
Revenue	1,500	1,794	+20%
Operating income	289	212	-27%
Operating margin	19%	12%	-7pt
Ordinary income	307	200	-35%
Net income	227	137	-39%

Revenue

Aim to strengthen contracted shops' customer-acquisition via an end-to-end support model for inbound travelers and local marketing at overseas bases.
Address the temporary decline in consumer confidence from U.S. tariff changes and higher crude oil prices from Middle East tensions through measures such as improved price transparency via DDP.

Operating income

Planning strategic investments for the next stage of growth.
Planning 120M JPY of continued investment to further strengthen existing businesses.
In addition, incorporating 110M JPY of investment into new initiatives at the Taiwan base entering full-scale operation. Most of the returns from this investment are expected in the following fiscal year onward. Accordingly, we project an operating margin of 12%.

Ordinary income / Net income

・The prior year's ordinary and net income included a positive effect from a reduction in one-time overseas tax expenses (+12M JPY).

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Growth Strategy

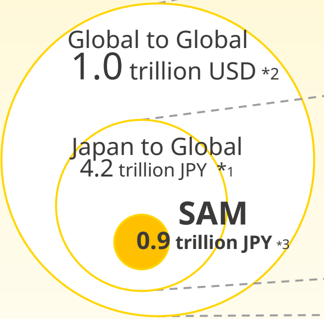
Market size

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 *1

*1 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/2025/08/20250826005/20250826005-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 8x in 10 years.



FY2024

Market Expansion Factors

Increased demand from overseas

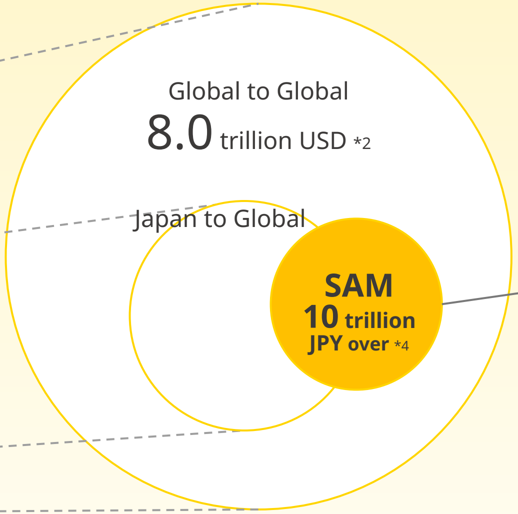
- Increase in travel and travel-at-home spending by inbound travelers to Japan
- Increase in purchasing power due to rising income levels, especially in Asia

Enhanced cross-border solutions

- Full range of cross-border EC solutions
- Cross-border EC ratio is increasing

Increase in EC penetration rate

- Increase in online transactions due to the progress of digitalization
- Increase in online support for offline shops



FY2034

Expansion of our domain

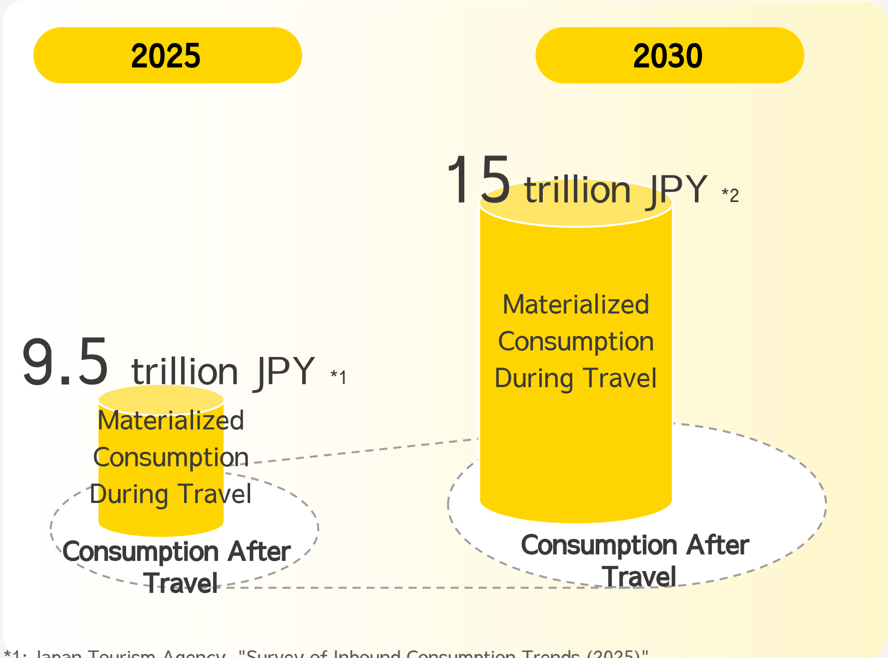
Providing services to overseas EC sites (Global to Global)

- Currently, doing business of exports from Japan to overseas.
- Expand business domain to Global-to-Global in the future

*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

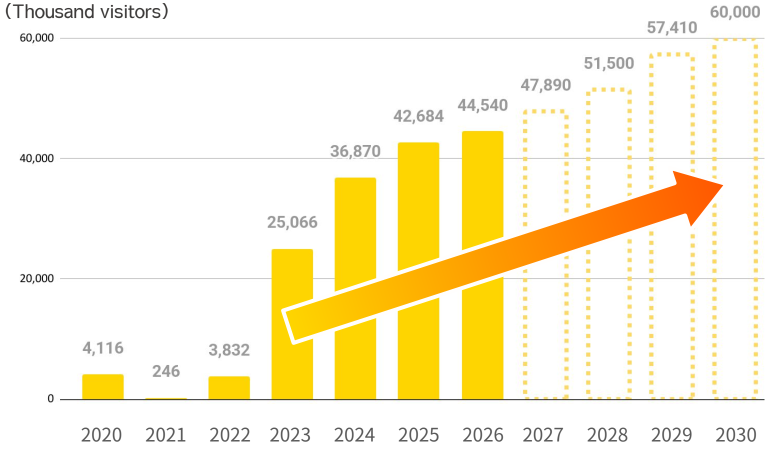
Inbound to Japan Market Size

Toward the government's target of 60 million visitors by 2030, inbound consumption is expected to keep expanding.
A growing base of Japan fans is expected to substantially grow post-travel consumption after returning home.



Annual Inbound Visitor Trends

On track for steady growth toward the 2030 government target of 60 million



*1: Japan Tourism Agency, "Survey of Inbound Consumption Trends (2025)"
*2: Japan Tourism Agency, "Basic Plan for the Promotion of a Tourism Nation"

Source: Japan National Tourism Organization, "Visitor Arrivals"

Strategy and measures for growth

Strengthen Before-Travel. Strengthen During-Travel. Consolidate into After-Travel.

Strengthen Before-Travel

To 800 million travelers worldwide

Strengthen During-Travel

Real experience → online purchase

After-Travel (foundation)

An already-established revenue source

Measures

- Customer-acquisition support for shops
  - Strategic support via data utilization and Shop Success
  - Creating offline and online touchpoints
- Operational strengthening through AI
- Building the organizational structure

A medium- to long-term strategy to comfortably connect global shops and customers

Establishing the current model

Comfortably connecting Japanese shops and global customers

Before-Travel
Discover
Encounter, learn, want to visit
- Meta / Google linkage
- Inbound Navi
- Taiwan Pop-up

During-Travel
Purchase
Experience, buy, ship
- Tabinaka Click
- In-store QR
- Hands-free delivery

After-Travel
Repeat
Buy again, stay connected
- WorldShopping
- CRM
- Repeat purchase

The more touchpoints expand before- and during-travel, the more continuously shops' overseas sales grow.

Establishing a Data × AI foundation

Accumulating overseas access, purchase data, country-specific needs, product data, behavioral history, and CS / logistics data.

Customer data
Visualize touchpoints and behavior

Purchase analysis
Understand countries, products, and customers

Optimization
Maximize the flow of acquisition, purchase experience, and repurchase

Medium- to long-term growth roadmap

Establish an end-to-end before/during/after-travel model and expand it to the world in stages.

Areas effective before travel
Create touchpoints via overseas ads, search, and local pop-ups

Areas effective during travel
Expand in-store referral, purchase flow, and delivery support

Areas effective after travel
Deploy cross-border EC, fan-building support, and repurchase models

Key deployment areas

Taiwan / Asia
Proof of concept / templating
Pop-up / ads / during-travel referral

North America
Key inbound market
Expand cross-border EC and repurchase

Europe
Key inbound market
Expand awareness and referral

Step

1. **Short to mid term** — Prove in Taiwan / Asia
→
2. **Mid term** — Expand to key inbound markets
→
3. **Long term** — To global shops × global customers

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Topics

Taiwan Cross-border EC Support Strategy ① Creating offline touchpoints with overseas customers

STEP3 Action

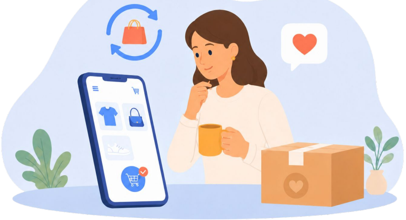
Attraction

Holding local pop-up events to deliver the real experiential value of Japanese brands
Converting highly engaged customer touchpoints created at events into long-term fans via cross-border EC

Awareness / experience

Real brand experience

Continuation



Local EC purchase
Promoting fan-building

Maximizing online through offline

Market opportunity

Creating customer touchpoints via pop-ups, a rare venue for real experiences in Taiwan.

Advancing an OMO strategy

Driving Japanese brands' entry into Taiwan and EC sales growth by creating experiential opportunities through an OMO (Online Merges with Offline) approach.

Advancing global expansion

Aiming to replicate this to other global markets in the future

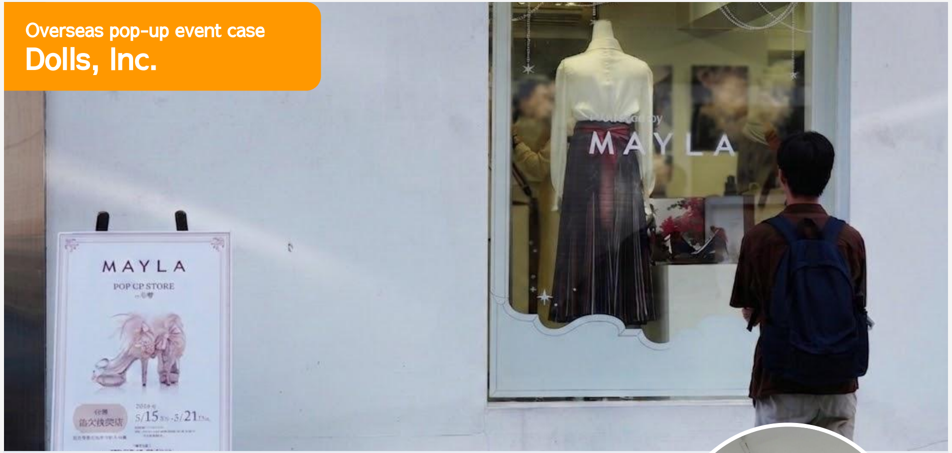
Client

Overseas pop-up event case

Held a pop-up event with Japanese apparel brand Dolls, Inc.
Demonstrated the effect of OMO flow design, cross-border EC connection, and repurchase measures

Overseas pop-up event case

Dolls, Inc.



By a popular Japanese brand

Taiwan pop-up store

- Set up a one-week pop-up store in central Taipei
- After enjoying try-ons, customers completed
- cross-border purchases via WorldShopping BIZ
  Customers gathered from 10+ Taiwanese cities, achieving nationwide acquisition at one venue

Initiatives

Comprehensive support for a Taiwan pop-up event, cross-border EC connection, and repurchase design

【Approx. 10x monthly overseas sales】

Achieved GMV equivalent to a month's EC sales in a single event over a few days

【New customers approx. 90%】

Attendees were first-time buyers, drawn from 10+ cities.

【Continued purchasing including inbound to Japan】

Sharp rise in visits to the Tokyo store and Threads followers.

Taiwan Cross-border EC Support Strategy ②
Local overseas EC development to local overseas PR

Started a business partnership with W2 Inc.

zig-zag's strengths

Cross-border EC, customer acquisition, and marketing support

WorldShoppingBIZ

×

W2's strengths

Comprehensive support from strategy design and validation to full-scale rollout in overseas expansion

W2Commerce Asia

Built a framework to comprehensively support Japanese companies' entry into Taiwan and Asia, from local overseas EC launch to monetization

Expanding installed shops

Strengthening STORES' "after-travel" cross-border EC function with "WorldShopping BIZ for Cart"

About "WorldShopping BIZ for Cart"

- Cart-system integration enables cross-border sales to 228 countries and regions with no additional development or changes to domestic logistics flows.
- Promotes "after-travel" repeat purchases while keeping the brand's world-view intact on the shop's own site, with multilingual, payment, and shipping operations handled to remove risk.

Value for each stakeholder

- **Businesses using STORES online shops**

Expand into overseas markets and continuously create new sales (after-travel demand) without additional investment or resources.
Grasp overseas purchase data—popular products, popular countries, inflow languages—via the WorldShopping BIZ dashboard and use it for the next move.

- **Overseas consumers who visited Japan**

After returning home, they can smoothly purchase in their own language and currency from Japanese shops they encountered during travel.
Direct purchase from official sites ensures a safe, trustworthy transaction environment free of counterfeit risk.

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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) — Attraction

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) — Trust (Safe Experience)

STEP2 (Emotion) — Enthusiasm (Fandom)

Shopping without luggage

「In-Travel Click ™」

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) — Creating a place to experience

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"

Inbound Navi case

STEP3
Action

Attraction

By combining in-store measures with SNS and streamlining multilingual support, we created a virtuous cycle of overseas customer visits and word-of-mouth.

Inbound Navi case

Flowers, Ltd. (LAD MUSICIAN)

Challenge

- Hard to pick the right channels (SNS, search) and messaging for culturally diverse overseas customers.
- Concern that stronger inbound acquisition adds in-store workload.
- Results and ROI hard to predict beforehand, making the go-ahead decision difficult.

Initiatives

- Instagram-led communication, with SNS accounts unified via Linktree.
- In-store QR codes create a seamless path from the store to SNS and Google Maps.

Results

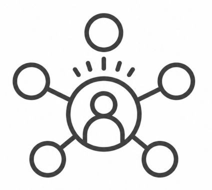
- Favorable word-of-mouth in customers' native languages grew, creating a cycle that drives new visits.
- Multilingual reply templates enabled proper customer support with less workload.

AI Utilization

STEP1 Function | Creating a place to experience

Building a company-wide AI utilization framework. From "individual convenience" to "organizational results" — building an efficient structure

Launch of the AI Promotion Committee



Purpose

Move from individual use to team-wide utilization

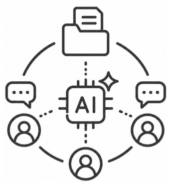
Activities

Monthly workshops attended by managers and above from each team. More than a learning venue, they surface each department's issues and shared challenges, sharing information and knowledge to build a new cycle.

Turning team-shared items into AI

Initiative

Centralized management of previously scattered knowledge for internal and external inquiry handling, enabling review under common rules.



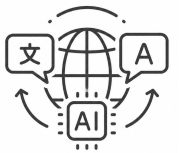
Result

Reduced workload and improved accuracy through information unification and efficiency

Multilingual expansion through AI

Initiative

Added inquiry-form display. Multilingual rollout using AI translation.



Result

Localizing support for customers whose main language is not English enables smoother communication.

6
Answers to preliminary questions

※ Thank you very much for the many questions. Please note that similar questions are answered together.

Answers to preliminary questions (Strengths of WorldShopping BIZ)

Question 1.

Please tell us about the strengths of WorldShopping BIZ.

Answer 1.

First, we turn the overseas access an owned EC site already has into sales—no new customer acquisition, and, unlike mall-type services, no price competition, so the shop keeps its own brand. We also add active acquisition via Meta/Google ads.

Second, we act as the purchaser and handle overseas operations end-to-end—payment, international shipping, customs, multilingual CS, and fraud prevention—so a shop sells to 228 countries just by adding a tag, run like domestic sales.

Third, we apply know-how from 200+ countries and our cross-border purchase data (shown on the shop dashboard) to ad integration and overseas marketing support.

In short, shops sell overseas safely while keeping their brand, and customers buy Japanese products with confidence.

Answers to preliminary questions (Impact of Middle East tensions & oil prices)

Question 2.

Following the US attack on Iran in March 2026, tensions in the Middle East have escalated; how do you evaluate the impact on business performance caused by the resulting surge in crude oil prices and logistics suspensions or delays?

Answer 2.

①Regarding the surge in crude oil prices

Higher energy costs and fuel surcharges resulting from geopolitical tensions in the Middle East may increase the financial burden on overseas customers, potentially leading to a temporary decline in consumer sentiment.
However, we expect the impact to be limited. Our core user base consists of "fan customers" who specifically seek out Japanese e-commerce sites for particular items, making their purchasing behavior relatively resilient to cost fluctuations.

②Regarding logistics suspensions and delays

Asia and North America currently account for approximately 80% of our total revenue. While we anticipate logistical challenges—such as service suspensions to conflict zones, along with shipping delays and increased freight costs for certain European routes due to rerouting—our sales dependency on these affected regions is relatively low. Consequently, we expect the overall impact on our business to be limited.

For these reasons, we currently expect the overall impact on our business performance to be limited, though we will continue to closely monitor order trends in each region.

Answers to preliminary questions (Differences from cross-border EC functions of EC cart platforms)

Question 3.

As major overseas EC cart platforms build cross-border EC functions in-house and strengthen packages for global support, how does zig-zag plan to maintain and strengthen its advantage?
In particular, how will you build an absolute barrier against competing platforms in acquiring small and individual EC sites that cannot maintain their own resources? Also, please share specific feedback from installed shops.

Answer 3.

We recognize major cart platforms are strengthening cross-border functions. Our advantages:

① Roles: "providing functions" vs. "taking on operations"
Platforms mostly provide functions (translation, duty calc); shipping, payment, tax, CS, and fraud risk stay the shop's burden. We become the purchaser and take these on at low cost.

② Complementary, not competitive
We've begun "WorldShopping BIZ for Cart" integrations, with cart operators choosing us. The more platforms expand cross-border, the greater our role for shops that can't run the operations—used alongside them, not against them.

③ Entry barrier = know-how and data
Fraud patterns, shipping optimization, country regulations, and language support from 200+ countries are hard to copy; our cross-border purchase data adds further differentiation.

④ Feedback from shops
Shops say cross-border workload and expertise are no longer needed, missed overseas demand is captured at no extra cost, and it runs like domestic transactions.

Answers to preliminary questions (Expanding awareness among overseas customers)

Question 4.

Please tell us about your measures to expand awareness among overseas customers.

Answer 4.

Expanding awareness among overseas customers is a core theme of "acquiring active customer-acquisition capabilities," which we position as a management priority. We are currently working in the following directions:

① Expanding direct touchpoints with overseas customers, starting from the BtoC purchasing service "WorldShopping"
Through our service for overseas buyers, we connect directly with customers worldwide who seek Japanese products and promote repeat purchases.

② Shifting to data-driven marketing
We hold access and purchase data of overseas customers worldwide, and by using it for personalization and ad optimization we are building an acquisition-efficient customer-acquisition mechanism (currently mid-way to full-scale use, positioned as an area to strengthen going forward).

③ Region-focused awareness expansion starting from the Taiwan base
Rather than targeting the whole world uniformly, we first focus on Taiwan to strengthen locally rooted customer-acquisition functions. As one measure, we create offline customer touchpoints (real experiences) through local pop-up events and combine them with cross-border EC. We will roll out the insights gained here to other regions.

Answers to preliminary questions (Initiatives at overseas subsidiaries)

Question 5.

Please tell us about the positioning of the Taiwan subsidiary and progress and results to date.

Answer 5.

The Taiwan subsidiary has two roles: developing the Taiwan market and validating a model for active customer-acquisition. Working close to local customers, we aim to apply the insights to strengthen WorldShopping BIZ and expand into other regions.

Taiwan is the ideal test market—interest in Japan is high, and our survey shows 80%+ of Taiwanese who have visited Japan use cross-border EC after returning, linking before/during-travel touchpoints to after-travel purchases. We treat it as a new business in validation, funded from this year's upfront investment, and will size future investment by results.

Incorporated in May 2026, we are building local networks. In a Taipei pop-up with a Japanese apparel brand, we reached ~10x the brand's usual monthly overseas GMV in a few days, with ~90% new customers from 10+ cities. Store visits in Japan and SNS followers rose afterward, validating our real-experience-to-online-purchase model.

Answers to preliminary questions (AI and data utilization)

Question 6.

Please tell us how AI and data utilization affect customers, shops, and the business and revenue model.

Answer 6.

We believe AI and data utilization contribute to the business in three directions: ① top-line expansion through improved customer experience, ② profitability improvement through operational efficiency, and ③ creation of new revenue sources. In addition, we hold a unique asset accumulated since our founding—"cross-border purchase data of overseas customers worldwide"—and we anticipate the impact on each stakeholder as follows:

Impact on customers (overseas buyers)
・Personalization based on purchase data (recommendations, optimal presentation of language, currency, and shipping) may improve the purchase experience and conversion rate.
・Using AI for multilingual support and customer service can improve response speed and quality.

Impact on shops
・Feeding back data such as "which countries demand which products" supports shops' promotion and assortment optimization.
・Advancing AI in cross-border operations (fraud detection, shipping optimization) further increases shops' safety and efficiency.

Impact on the business and revenue model
・AI automation of operations may improve profitability (operating leverage) by not increasing personnel costs linearly with GMV growth.
・Data-driven value-added services (marketing support, data provision, etc.) may become a new revenue pillar alongside existing distribution fees.
However, we are currently at the investment and preparation stage toward full-scale data utilization, and full materialization of results lies ahead.

Answers to preliminary questions (Approach to inbound travelers)

Question 7.

Please tell us about your future approach to the inbound market and your strategy to expand new member shops.

Answer 7.

Inbound and installed-shop expansion are a key theme of this year's growth investment. We treat before-, during-, and after-travel as one connected experience linked to cross-border EC: "Inbound Navi" helps overseas customers find Japanese shops before visiting; during travel, they buy online without carrying items home; and "WorldShopping BIZ" lets them keep buying after returning. Turning one-time inbound spending into continued cross-border purchasing is a major growth opportunity.

We will expand installed shops via three routes: (1) direct proposals leveraging low adoption burden and our handling of overseas operations; (2) EC cart platform partnerships so more shops adopt easily; and (3) a new shop segment with inbound support as the entry point, via businesses with physical stores.

Answers to preliminary questions (On "what we value")

Question 8.

You have the phrase, "We do not 'sell overseas'; we 'create global fans.'" Please tell us specifically what state this refers to.

Answer 8.

This phrase reflects viewing our business as continuous relationships, not one-off transactions. We aim for three states:

1.Repeat purchasing, not one-time buys—growing overseas customers who love Japanese products and buy them again (an LTV view).

2.Passionate fans worldwide—beyond repurchasing, word-of-mouth and SNS build fandom. In practice, overseas measures have driven more visits to Japan stores and SNS followers, and multilingual reviews have brought new visitors.

3.Our mission, "Make the excitement of the world commonplace"—removing border barriers (language, payment, shipping, regulation) so people everywhere can enjoy global products as a matter of course.

This ties directly to our model: converting overseas visitors into buyers and nurturing repeat purchases and sharing steadily builds shops' overseas sales and our GMV. In short, "creating global fans" is a model for sustainable growth.

Answers to preliminary questions (Business partnership with W2)

Question 9.

We would like to ask about Taiwan/Asia expansion support using "W2 Commerce Asia" through the business partnership with W2.
Assuming a local EC site is newly built and operated in parallel with the existing cross-border EC site, please explain the benefits and necessity.
Also, please explain the cost-effectiveness for shops.

Answer 9.

We envision a strategic "division of use" targeting shops at a certain growth phase aiming for full-scale rollout.

Against Japan-based cross-border EC, which validates market needs at relatively low cost, local EC plays the role of expanding brand establishment and repeat purchasing through local-currency payment, local delivery, and CRM using LINE. The two do not compete; they are used according to phase.

The essential value of this partnership is not a change in WorldShopping BIZ's role, but an expansion of support areas that address new customer needs arising after success in overseas sales. Having built a framework to provide end-to-end support from the entry point of overseas sales to full-scale local rollout, we aim to build medium- to long-term relationships with adopting companies and expand our business opportunities.

Answers to preliminary questions (Share price and dividends)

Question 10.

Please tell us your view on the significant decline in the share price from the offering price, and your future dividend policy.

Answer 10.

We take seriously the concern we have caused shareholders and investors as the share price has declined from the offering price. Because the share price is formed by various factors—including evaluation of our performance and growth potential, as well as overall market trends and supply and demand—we refrain from commenting on the share price level. What we must do is steadily raise the growth and earning power of the business, the source of corporate value, and carefully explain that progress to shareholders and investors.

This fiscal year, we intentionally front-load strategic investment for the next stage of growth, judging it necessary for medium- to long-term corporate value. We will show its progress quarterly through revenue growth and disclosed KPIs. We will also continue to enhance dialogue and disclosure with investors, including earnings briefings and answers to preliminary questions. Regarding dividends, while we recognize returning profits to shareholders as an important management issue, we currently believe that allocating funds to investment for sustainable growth and business expansion leads to medium- to long-term corporate and shareholder value. At present, the possibility and timing of future dividends are undecided. We will decide comprehensively considering future performance and financial condition.

Answers to preliminary questions (Medium- to long-term growth direction)

Question 11.

Please tell us about your growth direction from next fiscal year onward.

Answer 11.

Next-year growth builds on this year's strategic investments, in three directions:

1.Accelerate WorldShopping BIZ—expand before/during/after-travel touchpoints via the inbound model, grow installed shops through EC cart integration, and strengthen data-driven acquisition. Adding active acquisition to our "existing access into sales" model, we aim to outgrow the cross-border EC market (forecast ~8x in 10 years).

2.Validate Taiwan initiatives—advance the customer-acquisition and marketing model built there, apply proven, reproducible measures to WorldShopping BIZ and other regions, and size investment flexibly by results.

3.Expand the domain—having established "Japan to Global," widen target regions from Taiwan/Asia toward "Global to Global."

Our structure improves profitability as revenue scales, and this year's investment accelerates top-line growth on it. We will allocate capital by results and market conditions—so rather than promise a specific profit level or timing, we will keep showing progress through revenue and core KPIs.

7
Appendix

Establishment ceremony

Held the "zig-zag Taiwan Launch Party" to commemorate the establishment of the Taiwan subsidiary
Built a strong network with leading local partners and established a business foundation in Taiwan

Full-scale start of expansion into the Taiwan and Asia markets on a solid local network

Event exhibition case

Exhibited at "Tabinaka Summit 2026"
Introduced our inbound support series connecting "before/during/after-travel"

Overview

Event overview

- Japan's first tourism event focused on "during-travel" experiences, gathering industry front-runners.
- Gaining attention as travelers' desired value shifts from "goods" to "real experiences."

Response to the exhibition

- Connected with OTA, lodging, transport, and retail businesses, creating new inbound touchpoints.
- Presented our cross-border EC model spanning pre-travel awareness to post-travel repeat buying, drawing strong industry interest.

Client

Meta case

STEP3 Action | Attraction

Through low-risk overseas base-building and agile Meta ad promotion, created new orders from untapped areas

WorldShopping BIZ case

Hankyu Corporation

Challenge

- Concern over language/payment workload and the risk of CS and returns handling.
- Hard to size initial investment without country-specific demand data.
- Running cross-border EC on a small team without adding to existing workload.

Initiatives

- Ran Meta ads focused on Taiwan, plus coupon-linked Meta catalog ads.
- Sent overseas newsletters and promotions timed to new product launches.

Results

- Expanded overseas at lower initial cost and risk than expected.
- Overseas shipping reached previously untapped segments, driving new customer acquisition.
- Won orders from many markets—Taiwan, Hong Kong, Korea, North America, Europe, and more.

Establishing Fee Transparency in Response to US Tariff Policy Changes

STEP1 (Function) | Provide Experiences

Speedy response to external environmental changes (elimination of U.S. de minimis tax exemption) to reduce anxiety for overseas customers.
Built a transparent fee structure resilient to the disruption.

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.

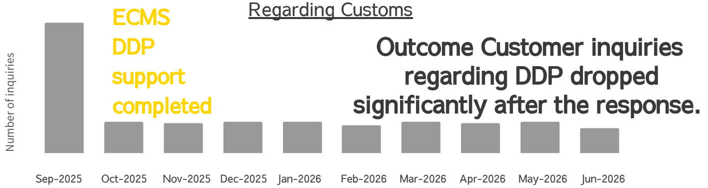
Response

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.**

Volume of Customer Inquiries Regarding Customs



*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.

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.