Translation

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Consolidated Financial Results for the Three Months of the Fiscal Year Ending May 31, 2027 (Under Japanese GAAP)

October 14, 2026

Company name: zig-zag, inc.
Stock exchange listings: Tokyo Stock Exchange
Stock code: 340A
URL: https://www.zig-zag.co.jp/
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Scheduled date for dividend payment: None
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 Three Months of the Fiscal Year Ending May 31, 2027 (from June 01, 2026 to August 31, 2026)

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

	Revenue		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Three months ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
August 31, 2026	416	-	54	-	56	-	42	-
August 31, 2025	-	-	-	-	-	-	-	-

(Note) Comprehensive income First quarter of fiscal year ending May 2027 42 million yen (-%) First quarter of fiscal year ending May 2026 - million yen (-%)

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
August 31, 2026	5.53	5.40
August 31, 2025	-	-

(Note) As quarterly consolidated financial statements have been prepared since the fiscal year ending May 2027, the amounts for the first quarter of the fiscal year ending May 2026, the percentage changes from the same quarter of the previous year, and the percentage changes from the same quarter of the previous year for the first quarter of the fiscal year ending May 2027 are not stated.

(2) Consolidated financial positions

	Total assets	Equity	Equity to total assets ratio
As of	Million yen	Million yen	%
August 31, 2026	2,683	1,417	52.8
May 31, 2026	2,592	1,374	53.0

(Reference) Owner's equity First quarter of fiscal year ending May 2027 1,417 million yen Fiscal year ended May 2026 1,374 million yen

2. Cash dividends

	Annual dividends per share				
	End of the first quarter	End of the second quarter	End of the third quarter	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended May 31, 2026	-	0.00	-	0.00	0.00
Fiscal year ending May 31, 2027	-				
Fiscal year ending May 31, 2027 (Forecast)		0.00	-	0.00	0.00

(Note) Whether there has been any revision to the most recently announced dividend forecast:None

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

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

* Notes

(1) Significant changes in the scope of consolidation during the period:None

Newly added - companies (Company names) -, Excluded - companies (Company names) -

(2) Applying of specific accounting of the consolidated quarterly financial statements:None

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

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

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

(iii) Changes in accounting estimates :None

(iv) Retrospective restatement :None

(4) Number of shares issued (Common stock)

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

As of August 31, 2026	7,755,435 shares
As of May 31, 2026	7,755,435 shares

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

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

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

Three months ended August 31, 2026	7,755,435 shares
Three months ended August 31, 2025	7,222,320 shares

(Note) On September 1, 2025, a stock split was conducted at a ratio of 3 shares for each share of common stock. Assuming that the stock split had been conducted at the beginning of the fiscal year ending May 2026, the “Average number of shares” has been calculated.

* Review of attached consolidated quarterly financial statements by a certified public accountant or an audit firm:None

* Explanation regarding the appropriate use of Forecasts, other notes

(Notes on Forward-Looking Statements, etc.)

The forward-looking statements regarding the outlook for business performance, etc. contained in this document are based on information currently available to the Company and certain assumptions that the Company considers reasonable, and are not intended to constitute a commitment by the Company that such results will be achieved. In addition, actual business performance, etc. may differ significantly due to various factors.

(How to Obtain Supplementary Financial Results Materials)

The supplementary financial results briefing materials will be disclosed on TDnet on October 14, 2026, and will be posted on our website promptly after disclosure.

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1. Overview of Operating Results, etc.

(1) Overview of Operating results for the Current quarter

Our group's mission is to "make excitement from around the world the norm," and we provide a one-stop cross-border e-commerce platform consisting of the purchase support service "WorldShopping" for overseas customers and the cross-border e-commerce support service "WorldShoppingBIZ" for domestic e-commerce sites.

During the Current first-quarter consolidated cumulative period (June 1, 2026~August 31, 2026), the global economy maintained a trend of moderate recovery, despite rising inflationary pressures associated with escalating tensions in the Middle East. Meanwhile, the impact of U.S. trade policies and the slowdown of the Chinese economy, as well as the risk of fluctuations in foreign exchange rates, continue to require close monitoring. Furthermore, the outlook remains uncertain due to the impact on logistics resulting from the prolonged restrictions on passage through the Strait of Hormuz.

Under these circumstances, our Group continued to provide safe and secure customer services, including the prevention of fraudulent payments and multilingual customer support, while striving to improve the purchasing experience of overseas customers by expanding support languages and delivery options.

In addition to speaking at seminars and conferences, exhibiting at industry events, and distributing content through our owned media, we have also released the "2026 First-Half Web Inbound® Data" and promoted the dissemination and awareness of the cross-border EC and web inbound markets. Furthermore, we launched "WorldShopping BIZ Growth," which supports advertising operations starting from overseas customer purchasing data accumulated in the Shop Dashboard, thereby strengthening shops' ability to attract customers from overseas. We also newly launched the cross-border OMO service "WorldShopping BIZ OMO," supporting the creation of points of contact with local customers and the understanding of market needs. In addition, through our business alliance with STORES, Inc., we have expanded cart integration via "WorldShopping BIZ for Cart" to broaden the base of businesses capable of supporting cross-border EC.

As a result, Operating results for the Current first-quarter consolidated cumulative period were Net sales 416,340 thousand yen, Operating profit 54,400 thousand yen, Ordinary profit 56,361 thousand yen, and Profit attributable to owners of parent 42,905 thousand yen.

Furthermore, since our group operates as a single segment in the cross-border EC platform business, segment-specific information has been omitted.

(2) Overview of Financial positions for the Current quarter

(Assets)

At the end of the Current first-quarter consolidated accounting period, Current assets amounted to 2,592,735 thousand yen, an increase of 86,526 thousand yen compared with the end of the Previous consolidated fiscal year. This was mainly due to an increase of 148,902 thousand yen in Cash and deposits, despite a decrease of 81,954 thousand yen in Deposits paid, among other factors. Non-current assets amounted to 91,018 thousand yen, an increase of 4,897 thousand yen compared with the end of the Previous consolidated fiscal year. This was mainly due to an increase of 7,082 thousand yen in Property, plant and equipment, despite a decrease of 2,747 thousand yen in Deferred tax assets, among other factors.

As a result, total Assets amounted to 2,683,753 thousand yen, an increase of 91,423 thousand yen compared with the end of the Previous consolidated fiscal year.

(Liabilities)

At the end of the Current first-quarter consolidated accounting period, Current liabilities amounted to 1,262,517 thousand yen, an increase of 49,136 thousand yen compared with the end of the Previous consolidated fiscal year. This was mainly due to an increase of 176,914 thousand yen in Contract liabilities, while Accounts payable - trade decreased by 98,638 thousand yen and Income taxes payable decreased by 23,322 thousand yen. Non-current liabilities amounted to 3,628 thousand yen, a decrease of 473 thousand yen compared with the end of the Previous consolidated fiscal year. This was due to a decrease of 4,102 thousand yen in Long-term borrowings, while Lease liabilities increased by 3,628 thousand yen.

As a result, Liabilities total amounted to 1,266,146 thousand yen, increasing by 48,662 thousand yen compared with the end of the Previous consolidated fiscal year.

(Net assets)

At the end of the Current first-quarter consolidated accounting period, total Net assets amounted to 1,417,607 thousand yen, an increase of 42,760 thousand yen compared with the end of the Previous consolidated fiscal year. This was mainly due to an increase in Retained earnings, etc., as a result of recording Profit attributable to owners of parent 42,905 thousand yen.

As a result, Equity to total assets ratio was 52.8% (53.0% at the end of the Previous consolidated fiscal year).

(3) Explanation Regarding Consolidated Forecasts and Other Forward-Looking Information

There are no changes to the consolidated Forecasts for the fiscal year ending May 2027 from the consolidated Forecasts announced on July 14, 2026.

2. Quarterly Consolidated Financial Statements and Major Notes (1) Quarterly consolidated Balance sheet

(Unit: Thousands of yen)

	Previous consolidated fiscal year (May 31, 2026)	Current first-quarter consolidated accounting period (August 31, 2026)
Assets		
Current assets		
Cash and deposit	1,998,468	2,147,371
Accounts receivable - trade	14,542	11,578
Merchandise	65,031	63,022
Advance payments to suppliers	16,559	17,050
Prepaid expenses	39,774	49,367
Consumption taxes refund receivable	144,308	146,620
Deposits paid	198,718	116,764
Other	30,734	41,614
Allowance for doubtful accounts	(1,929)	(654)
Total current asset	2,506,208	2,592,735
Non-current assets		
Property, plant, and equipment	9,294	16,376
Intangible assets	16,180	16,034
Investments and Other assets		
Long-term prepaid expenses	8	-
Deferred tax assets	54,243	51,495
Leasehold and guarantee deposits	6,394	7,112
Investments and Other assets Total	60,646	58,607
Total non-current assets	86,121	91,018
Total assets	2,592,330	2,683,753
Liabilities		
Current liabilities		
Trade payables	296,291	197,652
Current portion of long-term borrowings	9,118	-
Accounts payable	236,314	236,499
Accrued expenses	6,457	8,518
Income taxes payable	41,083	17,761
Contract liabilities	596,024	772,939
Lease liabilities	-	3,846
Other	28,092	25,299
Total current liabilities	1,213,381	1,262,517
Non-current liabilities		
Long-term borrowings	4,102	-
Lease liabilities	-	3,628
Total non-current liabilities	4,102	3,628
Total liabilities	1,217,483	1,266,146
Net assets		
Shareholders' equity		
Share capital	414,956	414,956
Capital surplus	555,240	555,240
Retained earnings	404,678	447,583
Total shareholders’ equity	1,374,874	1,417,779
Accumulated other comprehensive income		
Foreign currency translation adjustment	(27)	(171)
Total accumulated other comprehensive income	(27)	(171)
Total net assets	1,374,846	1,417,607
Total liabilities and net assets	2,592,330	2,683,753

(2) Quarterly consolidated Statement of income and quarterly consolidated Statement of comprehensive income

(Quarterly consolidated Statement of income)

(Unit: Thousands of yen)

	Current first-quarter consolidated cumulative period (From June 1, 2026 Through August 31, 2026)
Revenue	416,340
Cost of sales	133,630
Gross profit	282,710
Selling, general and administrative expenses	228,309
Operating profit	54,400
Non-operating income	
Interest income	1,585
Commission income	1,816
Other	227
Total non-operating income	3,629
Non-operating expenses	
Interest expense	108
Commission expenses	8
Foreign exchange losses	1,471
Other	79
Total non-operating expenses	1,667
Ordinary profit	56,361
Income before income taxes Net income	56,361
Income taxes - current	10,708
Income taxes - deferred	2,747
Total income taxes	13,456
Net income	42,905
Profit attributable to owners of parent	42,905

(Quarterly consolidated Statement of comprehensive income)

(Unit: Thousands of yen)

	Current first-quarter consolidated cumulative period (From June 1, 2026 Through August 31, 2026)
Net income	42,905
Other comprehensive income (loss), net of tax	
Foreign currency translation adjustment	(171)
Other comprehensive income, net of tax	(171)
Comprehensive income	42,733
Profit attributable to	
Quarterly Comprehensive income attributable to owners of parent	42,733

(3) Notes to the Quarterly Consolidated Financial Statements

(Notes on segment information, etc.)

As our Group operates in a single segment, the cross-border EC platform business, this information has been omitted.

(Notes when there are significant changes in the amount of Shareholders' equity)

Not applicable.

(Notes on Going Concern)

Not applicable.

(Notes to the Quarterly Consolidated Statement of cash flows)

The quarterly consolidated Statement of cash flows for the Current first-quarter consolidated cumulative period has not been prepared. In addition, Depreciation for the first-quarter consolidated cumulative period is as follows.

	Current first-quarter consolidated cumulative period (From June 1, 2026 Through August 31, 2026)
Depreciation	1,488 thousand yen