Translation

Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

Non-consolidated Financial Results for the Fiscal Year Ended May 31, 2025 (Under Japanese GAAP)

July 14, 2025

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:	Yasuaki Kitamura, Director
TEL:	+81-3-6777-7189
Scheduled date for ordinary general meeting of shareholders:	August 28, 2025
Scheduled date for dividend payment:	None
Scheduled date for submission of securities report:	August 27, 2025
Supplementary materials for financial summaries:	Yes
Financial results briefing:	None (distribute video presentation of financial results)

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

1. Non-consolidated Financial Results for the Fiscal Year Ended May 31, 2025 (from June 01, 2024 to May 31, 2025)

(1) 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, 2025	1,412	27.7	322	45.9	310	74.5	245	50.4
May 31, 2024	1,106	37.9	221	498.4	177	458.8	163	241.3

	Basic earnings per share	Diluted earnings per share	Rate of return on equity	Ordinary income to total assets ratio	Net sales Operating profit margin
Fiscal year ended	Yen	Yen	%	%	%
May 31, 2025	121.11	107.21	36.0	18.4	22.9
May 31, 2024	83.34	-	96.2	18.2	20.0

(Reference) Investment profit (loss) on equity method Fiscal year ending May 2025 - million yen Fiscal year ended May 2024 - million yen

(Note) 1. Regarding diluted earnings per share for the fiscal year ending May 2024, although there are potential shares, the Company's shares are not publicly listed, and therefore the average share price during the period cannot be determined, so it is not disclosed.

2. The Company conducted a stock split at a ratio of 15 shares for each common share on August 29, 2024. Basic earnings per share and diluted earnings per share have been calculated on the assumption that this stock split was conducted at the beginning of the previous fiscal year.

3. As the Company was listed on the Tokyo Stock Exchange Growth Market on March 31, 2025, diluted earnings per share for the fiscal year ending May 2025 is calculated by regarding the average share price from the initial listing date to the end of the fiscal year as the average share price during the period.

(2) Financial positions

	Total assets	Equity	Equity to total assets ratio	Net assets per share
As of	Million yen	Million yen	%	Yen
May 31, 2025	2,127	1,114	52.4	462.81
May 31, 2024	1,237	251	20.3	(1.72)

(Reference) Owner's equity For the fiscal year ending May 2025: 1,114 million yen; For the fiscal year ended May 2024: 251 million yen

(Note) The Company conducted a stock split at a ratio of 15 shares for each common share on August 29, 2024. Net assets per share have been calculated on the assumption that this stock split was conducted at the beginning of the previous fiscal year.

(3) Cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
Fiscal year ended	Million yen	Million yen	Million yen	Million yen
May 31, 2025	188	(1)	591	1,463
May 31, 2024	456	(1)	(19)	685

2. Cash dividends

	Annual dividends per share					Total dividends (aggregate)	Payout ratio	Ratio of dividends to net assets
	End of first quarter	End of second quarter	At the end of the third quarter	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
Fiscal year ended May 31, 2024	-	0.00	-	0.00	0.00	-	-	-
Fiscal year ended May 31, 2025	-	0.00	-	0.00	0.00	-	-	-
Fiscal year ending May 31, 2026 (Forecast)	-	0.00	-	0.00	0.00		-	

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

(Percentages indicate YoY changes)

	Revenue		Operating profit		Ordinary profit		Net income		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Fiscal year ending May 31, 2026	1,639	16.1	328	1.8	328	5.9	240	(2.3)	99.75

* Notes

(1) Changes in accounting policies, changes in accounting estimates, retrospective restatement

(i) Changes in accounting policies due to revisions of accounting standards: None

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

(iii) Changes in accounting estimates : None

(iv) Retrospective restatement : None

(2) Number of shares issued (common stock)

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

As of May 31, 2025	2,407,440 shares
As of May 31, 2024	1,960,440 shares

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

As of May 31, 2025	- shares
As of May 31, 2024	- shares

(iii) Average number of shares outstanding during the period

Fiscal year ended May 31, 2025	2,028,850 shares
Fiscal year ended May 31, 2024	1,960,440 shares

(Note) 1. Since Class A Preferred Shares, Class B Preferred Shares, and Class C Preferred Shares have the same rights as common shares with respect to claims for dividends of surplus and distribution of residual assets, they are included in both the “Number of shares issued at end of period” and the “Average number of shares.” In addition, on July 31, 2024, the Company acquired all Class A Preferred Shares, Class B Preferred Shares, and Class C Preferred Shares as treasury shares, and in exchange delivered one common share for each Class A, Class B, and Class C Preferred Share to the respective preferred shareholders. Furthermore, all Class A Preferred Shares, Class B Preferred Shares, and Class C Preferred Shares acquired by the Company were cancelled on August 1, 2024, pursuant to a resolution of the extraordinary Board of Directors meeting held on August 1, 2024, in accordance with Article 178 of the Companies Act.

2. The Company conducted a stock split at a ratio of 15 shares for each common share on August 29, 2024. "Number of shares issued at end of period" and "Average number of shares" have been calculated on the assumption that this stock split was conducted at the beginning of the previous fiscal year.

* Financial results reports are not subject to audits by certified public accountants or audit firms.

* Notes regarding the appropriate use of forecasts and other special items

(Cautionary Statement Regarding Forward-Looking Statements)

The forward-looking statements such as earnings forecasts contained in this document are based on information currently available to the Company and certain assumptions that the Company deems reasonable, and are not intended as a guarantee of their achievement. Actual results may differ significantly due to various factors.

(How to obtain supplementary materials for financial results)

The supplementary financial results materials will be disclosed on TDnet on July 14, 2025, and will be promptly posted on our website after disclosure.

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1. Overview of Operating Results, etc.

(1) Overview of operating results for the period

Our mission is to 'Taking the excitement of the world as a matter of course.' We provide a one-stop cross-border e-commerce platform consisting of the overseas customer purchase support service 'WorldShopping' and the cross-border e-commerce support service for domestic e-commerce sites 'WorldShoppingBIZ.'

During the fiscal year, the global economy remained firm, supported by factors such as the easing of high inflation. On the other hand, in the United States, interest rate cuts were implemented, increasing the risk of exchange rate fluctuations. In addition, the outlook remains uncertain due to developments in U.S. tariff policies, the situation in Ukraine, and ongoing instability in the Middle East.

Under these circumstances, as a marketing initiative to increase awareness of our overseas customer service "WorldShopping," we launched advertisements utilizing influencers and strengthened our exposure in the Greater China region, with a particular focus on Taiwan.

In addition, to accommodate the increase in logistics due to the growth in orders, we have newly established a warehouse in Shirai City, Chiba Prefecture. With the increase in purchasing operations, we have continued to expand the number of shops compatible with automated purchasing since the previous fiscal year, thereby strengthening our system to enable real-time purchasing without opportunity losses such as stockouts.

For domestic e-commerce shops, we published the "Cross-border EC & Web Inbound White Paper 2025," which was jointly researched by our company and Resorz Inc. We continue to regularly co-host seminars with companies supporting cross-border e-commerce, leading to the acquisition of new shops. For existing shops, we have held in-person networking events and launched the "Inbound Navi" service, which supports inbound tourism for retail shops and tourist destinations across Japan, thereby supporting the sales growth of these shops.

As a result of these initiatives, in the fourth quarter, the number of monthly active shops for "WorldShoppingBIZ" increased by 152 shops year on year to 1,303 shops, and the number of monthly repeat customers increased by 865 year on year to 5,940. In addition, the gross merchandise value (GMV) for the fiscal year increased by 1,478,174 thousand yen year on year to 6,473,936 thousand yen.

As a result, the business performance for the fiscal year was as follows: Net sales were 1,412,184 thousand yen (up 27.7% YoY), operating profit was 322,779 thousand yen (up 45.9% YoY), ordinary profit was 310,350 thousand yen (up 74.5% YoY), and net income was 245,706 thousand yen (up 50.4% YoY).

As the Company operates a single segment, the cross-border e-commerce platform business, segment information is not presented.

(2) Overview of the financial position for the period

(Assets)

At the end of the fiscal year, current assets amounted to 1,971,184 thousand yen, an increase of 854,529 thousand yen compared to the end of the previous fiscal year. This was mainly due to increases in cash and deposits by 778,167 thousand yen, consumption taxes refund receivable by 39,202 thousand yen, and deposits paid by 22,009 thousand yen. Non-current assets amounted to 156,599 thousand yen, an increase of 35,884 thousand yen compared to the end of the previous fiscal year. This was mainly due to increases in tools, furniture and fixtures by 2,426 thousand yen, and deferred tax assets by 32,063 thousand yen. As a result, total assets amounted to 2,127,783 thousand yen, an increase of 890,414 thousand yen compared to the end of the previous fiscal year.

(Liabilities)

Current liabilities at the end of the fiscal year amounted to 1,000,214 thousand yen, an increase of 39,293 thousand yen compared to the end of the previous fiscal year. This was mainly due to an increase in income taxes payable by 85,302 thousand yen and contract liabilities by 30,829 thousand yen, while accounts payable - trade decreased by 32,953 thousand yen and accrued expenses decreased by 43,615 thousand yen. Non-current liabilities amounted to 13,220 thousand yen, a decrease of 11,446 thousand yen compared to the end of the previous fiscal year. This was due to a decrease in long-term borrowings by 11,446 thousand yen. As a result, total liabilities amounted to 1,013,434 thousand yen, an increase of 27,847 thousand yen compared to the end of the previous fiscal year.

(Net assets)

At the end of the fiscal year, total net assets amounted to 1,114,348 thousand yen, an increase of 862,566 thousand yen compared to the end of the previous fiscal year. This was due to increases of 308,430 thousand yen in share capital, 308,430 thousand yen in legal capital surplus, and 245,706 thousand yen in retained earnings brought forward. As a result, the equity to total assets ratio was 52.4% (20.3% at the end of the previous fiscal year).

(3) Overview of Cash Flows for the Period

Cash and cash equivalents (hereinafter referred to as "funds") for the fiscal year increased by 778,167 thousand yen compared to the end of the previous fiscal year, reaching 1,463,296 thousand yen at the end of the current fiscal year.

The cash flows for the fiscal year and their respective factors are as follows.

(Cash flows from operating activities)

Net cash provided by operating activities was 188,794 thousand yen (down 58.6% YoY). This was mainly due to income before income taxes of 310,350 thousand yen, an increase in consumption taxes refund receivable of 39,202 thousand yen, an increase in deposits paid of 22,009 thousand yen, a decrease in accounts payable-trade of 32,953 thousand yen, a decrease in accounts payable-other of 45,872 thousand yen, and an increase in contract liabilities of 30,829 thousand yen.

(Cash flows from investing activities)

Net cash used in investing activities was 1,691 thousand yen (Percentage indicate YoY changes: 44.4% increase). This was mainly due to purchase of property, plant and equipment of 1,612 thousand yen, among other factors.

(Cash flows from financing activities)

Funds provided by financing activities amounted to 591,063 thousand yen (compared to a use of 19,618 thousand yen in the same period of the previous year). This was mainly due to proceeds from issuance of shares of 616,860 thousand yen, among other factors.

(4) Future Outlook

Our cross-border e-commerce platform service, backed by robust demand, will continue to expand its business by capturing inbound demand from visitors to Japan and consistently engaging with domestic e-commerce sites around the world to provide solutions tailored to their challenges.

Regarding the forecasts for the fiscal year ending May 2026, net sales are expected to be 1,639 million yen (up 16.1% YoY). In addition, assuming investments in personnel and product development associated with business expansion, operating profit is expected to be 328 million yen (up 1.8% YoY), ordinary profit is expected to be 328 million yen (up 5.9% YoY), and net income is expected to be 240 million yen (down 2.3% YoY).

2. Basic policy regarding the selection of accounting standards

In order to ensure comparability with domestic industry peers, the Company applies Japanese accounting standards.

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

(Unit: Thousands of yen)

	Previous fiscal year (May 31, 2024)	For the fiscal year (May 31, 2025)
Assets		
Current assets		
Cash and deposit	685,128	1,463,296
Accounts receivable - trade	8,294	7,789
Merchandise	44,740	44,673
Supplies	460	-
Advance payments to suppliers	14,676	13,732
Prepaid expenses	25,731	35,404
Consumption taxes refund receivable	208,050	247,253
Deposits paid	117,868	139,878
Other	12,824	19,997
Allowance for doubtful accounts	(1,121)	(840)
Total current asset	1,116,654	1,971,184
Non-current assets		
Property, plant, and equipment		
Tools, furniture and fixtures	2,491	6,360
Accumulated depreciation	(1,142)	(2,585)
Tools, furniture and fixtures, net	1,348	3,775
Total property, plant and equipment, net	1,348	3,775
Investment Other assets		
Guarantee deposits	101,316	101,394
Long-term prepaid expenses	191	1,507
Deferred tax assets	17,858	49,921
Total investment and other assets	119,366	152,824
Total non-current assets	120,715	156,599
Total assets	1,237,369	2,127,783

(Unit: Thousands of yen)

	Previous fiscal year (May 31, 2024)	For the fiscal year (May 31, 2025)
Liabilities		
Current liabilities		
Trade payables	297,791	264,838
Current portion of long-term borrowings	19,032	13,032
Accounts payable	240,554	196,939
Accrued expenses	4,972	5,699
Income taxes payable	16,003	101,305
Contract liabilities	370,842	401,671
Other	11,725	16,728
Total current liabilities	960,921	1,000,214
Non-current liabilities		
Long-term borrowings	24,666	13,220
Total non-current liabilities	24,666	13,220
Total liabilities	985,587	1,013,434
Net assets		
Shareholders' equity		
Share capital	90,000	398,430
Capital surplus		
Legal capital surplus	230,284	538,714
Total capital surplus	230,284	538,714
Retained earnings		
Other retained earnings		
Retained earnings brought forward	(68,672)	177,034
Total retained earnings	(68,672)	177,034
Total shareholders' equity	251,611	1,114,178
Share acquisition rights	170	170
Total net assets	251,782	1,114,348
Total liabilities and net assets	1,237,369	2,127,783

(2) Statement of income

(Unit: Thousands of yen)

	Previous fiscal year From June 1, 2023 As of May 31, 2024	For the fiscal year From June 1, 2024 Until May 31, 2025
Revenue	1,106,229	1,412,184
Cost of sales	356,704	454,000
Gross profit	749,524	958,183
Selling, general and administrative expenses	528,328	635,404
Operating profit	221,195	322,779
Non-operating income		
Interest income	7	483
Dividend income	0	-
Subsidy income	600	-
Surrender value of insurance policies	762	-
Interest on tax refund	1,036	777
Others	20	120
Total non-operating income	2,426	1,381
Non-operating expenses		
Interest expense	973	717
Commission expenses	35,176	3,862
Listing expenses	-	8,350
Foreign exchange losses	9,348	190
Other	239	689
Total non-operating expenses	45,738	13,810
Ordinary profit	177,883	310,350
Extraordinary losses		
Loss on retirement of fixed assets	18	-
Total extraordinary losses	18	-
Income before income taxes	177,865	310,350
Income taxes - current	16,003	96,707
Income taxes - deferred	(1,525)	(32,063)
Total income taxes	14,478	64,643
Net income	163,387	245,706

Statement of Cost of Sales

		Previous fiscal year (From June 1, 2023 As of May 31, 2024		For the fiscal year From June 1, 2024 Until May 31, 2025	
Category	Note Number	Amount (thousand yen)	Composition ratio (%)	Amount (thousand yen)	Composition ratio (%)
I Personnel expenses		189,143	53.0	238,927	52.6
II Expenses	※	167,561	47.0	215,073	47.4
Cost of sales		356,704	100.0	454,000	100.0

The main breakdown is as follows.

	Previous fiscal year From June 1, 2023 As of May 31, 2024	For the fiscal year From June 1, 2024 Until May 31, 2025
Outsourcing expenses (thousand yen)	107,397	139,510
System usage fees (thousand yen)	52,861	64,948

(3) Statement of changes in equity

Previous fiscal year (from June 1, 2023 to May 31, 2024)

(Unit: Thousands of yen)

	Shareholders' equity						Share acquisition rights	Total net assets
	Share capital	Capital surplus		Retained earnings		Shareholders' equity Total		
		Legal capital surplus	Capital surplus Total	Others Retained earnings	Retained earnings Total			
				Retained earnings brought forward				
Balance at the beginning of the period	90,000	230,284	230,284	(232,059)	(232,059)	88,224	170	88,395
Changes during period								
Issuance of new shares								-
Net income				163,387	163,387	163,387		163,387
Total changes during period	-	-	-	163,387	163,387	163,387	-	163,387
Balance at end of period	90,000	230,284	230,284	(68,672)	(68,672)	251,611	170	251,782

For the fiscal year ending May 31, 2025

(Unit: Thousands of yen)

	Shareholders' equity						Share acquisition rights	Total net assets
	Share capital	Capital surplus		Retained earnings		Shareholders' equity Total		
		Legal capital surplus	Capital surplus Total	Others Retained earnings	Retained earnings Total			
				Retained earnings brought forward				
Beginning balance of the period	90,000	230,284	230,284	(68,672)	(68,672)	251,611	170	251,782
Changes during period								
Issuance of new shares	308,430	308,430	308,430			616,860		616,860
Net income				245,706	245,706	245,706		245,706
Total changes during period	308,430	308,430	308,430	245,706	245,706	862,566	-	862,566
Balance at end of period	398,430	538,714	538,714	177,034	177,034	1,114,178	170	1,114,348

(4) Statement of cash flows

(Unit: Thousands of yen)

	Previous fiscal year From June 1, 2023 As of May 31, 2024	For the fiscal year From June 1, 2024 Until May 31, 2025
Cash flows from operating activities		
Income before income taxes	177,865	310,350
Depreciation	492	1,442
Increase (decrease) in allowance for doubtful accounts	689	(280)
Interest income and dividends income	(7)	(483)
Interest expense	973	717
Listing expenses	-	8,350
Loss on retirement of fixed assets	18	-
Decrease (increase) in trade receivables	(2,114)	504
(Increase) decrease in inventories	(12,213)	527
Decrease (increase) in advance payments to suppliers	4,342	944
Decrease (increase) in prepaid expenses	(15,826)	(9,673)
Decrease (increase) in consumption taxes refund receivable	(4,996)	(39,202)
Decrease (increase) in deposits paid	(45,128)	(22,009)
Increase (decrease) in trade payables	90,199	(32,953)
Increase (decrease) in accounts payable (negative indicates decrease)	112,990	(45,872)
Increase (decrease) in accrued expenses	2,987	727
Increase (decrease) in contract liabilities	152,099	30,829
Others	(4,553)	10,089
Subtotal	457,819	214,008
Interest and dividends received	7	483
Interest paid	(1,022)	(698)
Income taxes refund (paid)	(290)	(24,998)
Cash flows from operating activities	456,513	188,794
Cash flows from investing activities		
Purchase of property and equipment	(1,181)	(1,612)
Proceeds from divestments	10	-
Payments of guarantee deposits	-	(78)
Cash flows from investing activities	(1,171)	(1,691)
Cash flows from financing activities		
Repayment of long-term borrowings	(19,618)	(17,446)
Proceeds from issuance of shares	-	616,860
Payments of listing expenses	-	(8,350)
Cash flows from financing activities	(19,618)	591,063
Increase (decrease) in cash and cash equivalents	435,723	778,167
Cash and cash equivalents at the beginning of the period	249,404	685,128
Cash and cash equivalents at end of the period	685,128	1,463,296

(5) Notes to the Financial Statements

(Notes regarding the assumption of a going concern)

There are no applicable items.

(Notes on equity in earnings of affiliates, etc.)

As the Company does not have any affiliated companies, this item is not applicable.

(Notes on segment information, etc.)

[Segment Information]

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

[Related Information]

For the fiscal year ended May 31, 2024

1. Information by finished goods and services

As net sales to external customers in a single category of finished goods and services account for more than 90% of net sales in the statement of income, the disclosure has been omitted.

2. Information by region

(1) Net sales

(Unit: Thousands of yen)

Asia	North America	Other	Total
595,237	338,816	172,174	1,106,229

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

(2) Property, plant and equipment

As more than 90% of the amount of property, plant and equipment on the balance sheet is located in Japan, the details are omitted.

3. Information by major customer

There are no customers whose net sales to external customers account for 10% or more of the net sales in the statement of income, and therefore, no disclosure is provided.

For the fiscal year ending May 31, 2025

1. Information by finished goods and services

Disclosure is omitted because net sales to external customers in a single category of finished goods or services account for more than 90% of net sales in the statement of income.

2. Information by region

(1) Net sales

(Unit: Thousands of yen)

Asia	North America	Other	Total
751,833	424,784	235,566	1,412,184

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

(2) Property, plant and equipment

As the amount of property, plant and equipment located in Japan exceeds 90% of the amount of property, plant and equipment on the balance sheet, the details are omitted.

3. Information by major customer

There are no customers whose net sales to external customers account for 10% or more of the net sales in the statement of income, and therefore, no disclosure is provided.

[Information on Impairment Losses on Non-current Assets by Reportable Segment]

There are no applicable items.

[Information on Amortization and Unamortized Balance of Goodwill by Reportable Segment]

There are no applicable items.

[Information on Gain on Bargain Purchase by Reportable Segment]

There are no applicable items.

(Notes on per share information)

	Previous fiscal year From June 1, 2023 As of May 31, 2024	For the fiscal year From June 1, 2024 Until May 31, 2025
Net assets per share	(1.72) yen	462.81 yen
Basic earnings per share	83.34 yen	121.11 yen
Diluted earnings per share	-	107.21 yen

(Note) 1. Regarding diluted earnings per share for the previous fiscal year, although there are potential shares, the Company's stock is unlisted and the average stock price during the period cannot be determined, so it is not disclosed.

2. On August 29, 2024, the Company conducted a stock split at a ratio of 15 shares of common stock for each share of common stock. Net assets per share, basic earnings per share, and diluted earnings per share have been calculated on the assumption that the stock split was conducted at the beginning of the previous fiscal year.

3. On July 31, 2024, the Company acquired all of the Class A Preferred Shares, Class B Preferred Shares, and Class C Preferred Shares as treasury shares, and as consideration, delivered one share of common stock for each share of Class A Preferred Shares, Class B Preferred Shares, and Class C Preferred Shares to the respective holders. In addition, all of the Class A Preferred Shares, Class B Preferred Shares, and Class C Preferred Shares acquired by the Company were cancelled on August 1, 2024, pursuant to a resolution of the extraordinary meeting of the Board of Directors held on August 1, 2024, in accordance with Article 178 of the Companies Act.

4. As the Company was listed on the Tokyo Stock Exchange Growth Market on March 31, 2025, diluted earnings per share for the fiscal year have been calculated by regarding the average share price from the listing date to the end of the fiscal year as the average share price during the period.

5. The basis for the calculation of Basic earnings per share and Diluted earnings per share is as follows.

	Previous fiscal year From June 1, 2023 As of May 31, 2024	For the fiscal year From June 1, 2024 Until May 31, 2025
Basic earnings per share		
Net income (thousand yen)	163,387	245,706
Amount not attributable to common shareholders (thousand yen)	-	-
Net income attributable to common stock (thousand yen)	163,387	245,706
Average number of shares (shares)	1,960,440	2,028,850
(of which, common stock (shares))	(1,599,000)	(2,028,850)
(of which, Class A preferred shares (shares))	(187,500)	(-)
(of which, Class B preferred shares (shares))	(160,710)	(-)
(of which, Class C preferred shares (shares))	(13,230)	(-)
Diluted earnings per share		
Net income adjustment (thousand yen)	-	-
Increase in number of common shares (shares)	-	263,079
(of which, share acquisition rights (shares))	(-)	(263,079)
Overview of potential shares not included in the calculation of diluted earnings per share as they have no dilutive effect	1st Series Share Acquisition Rights Number of share acquisition rights: 7,660 Shares subject to share acquisition rights Common stock: 114,900 shares	-

	Previous fiscal year From June 1, 2023 As of May 31, 2024	For the fiscal year From June 1, 2024 Until May 31, 2025
	2nd Series Share Acquisition Rights Number of share acquisition rights: 3,000 Shares subject to share acquisition rights 45,000 shares of common stock 3rd Share Acquisition Rights Number of share acquisition rights: 2,277 Shares subject to share acquisition rights 34,155 shares of common stock 4th Share Acquisition Rights Number of share acquisition rights: 690 Shares subject to share acquisition rights 10,350 shares of common stock 6th Share Acquisition Rights Number of share acquisition rights: 7,914 Shares subject to share acquisition rights Common stock: 118,710 shares 7th Share Acquisition Rights Number of share acquisition rights: 490 Shares subject to share acquisition rights Common stock: 7,350 shares	

(Note) The number of shares for Class A Preferred Shares, Class B Preferred Shares, and Class C Preferred Shares, calculated based on the assumed conversion method, is added to the average number of common shares to calculate basic earnings per share.

6. The basis for the calculation of net assets per share is as follows.

	Previous fiscal year (May 31, 2024)	For the fiscal year (May 31, 2025)
Total net assets (thousand yen)	251,782	1,114,348
Amounts to be deducted from the total amount of net assets (thousand yen)	255,154	170
(of which, paid-in amount for preferred shares (thousand yen))	(254,984)	(-)
(of which, Share acquisition rights (thousand yen))	(170)	(170)
Net assets at the end of the period attributable to common stock (thousand yen)	(3,372)	1,114,178
Number of common shares at the end of the period used to calculate net assets per share (shares)	1,960,440	2,407,440
(of which, common stock (shares))	(1,599,000)	(2,407,440)

	Previous fiscal year (May 31, 2024)	For the fiscal year (May 31, 2025)
(of which, Class A preferred shares (shares))	(187,500)	(-)
(of which, Class B preferred shares (shares)) (of which, Class C preferred shares (shares))	(160,710)	(-)
	(13,230)	(-)

(Note) Since Class A Preferred Shares, Class B Preferred Shares, and Class C Preferred Shares have priority over common shares with respect to the distribution of residual assets, the amount of residual assets to be preferentially allocated to Class A, Class B, and Class C Preferred Shares is deducted from the total amount of net assets when calculating net assets per share. In addition, since Class A Preferred Shares, Class B Preferred Shares, and Class C Preferred Shares rank equally with common shares in the distribution of residual assets after the preferential allocation, the number of common shares equivalent to these preferred shares is included in the number of common shares at the end of the period for the calculation of net assets per share.

(Notes on Significant Subsequent Events)

There are no applicable items.