

enigma

Supplementary Financial Information

First quarter of FYE January 2021

Impacts of the Novel Coronavirus (COVID-19) on our Business Operations

Main Impacts

In countries around the world, COVID-19 has prompted lockdowns and requests to refrain from making unnecessary outings. This has had the following impacts on our business operations, resulting in trading volume for April falling below the previous year.

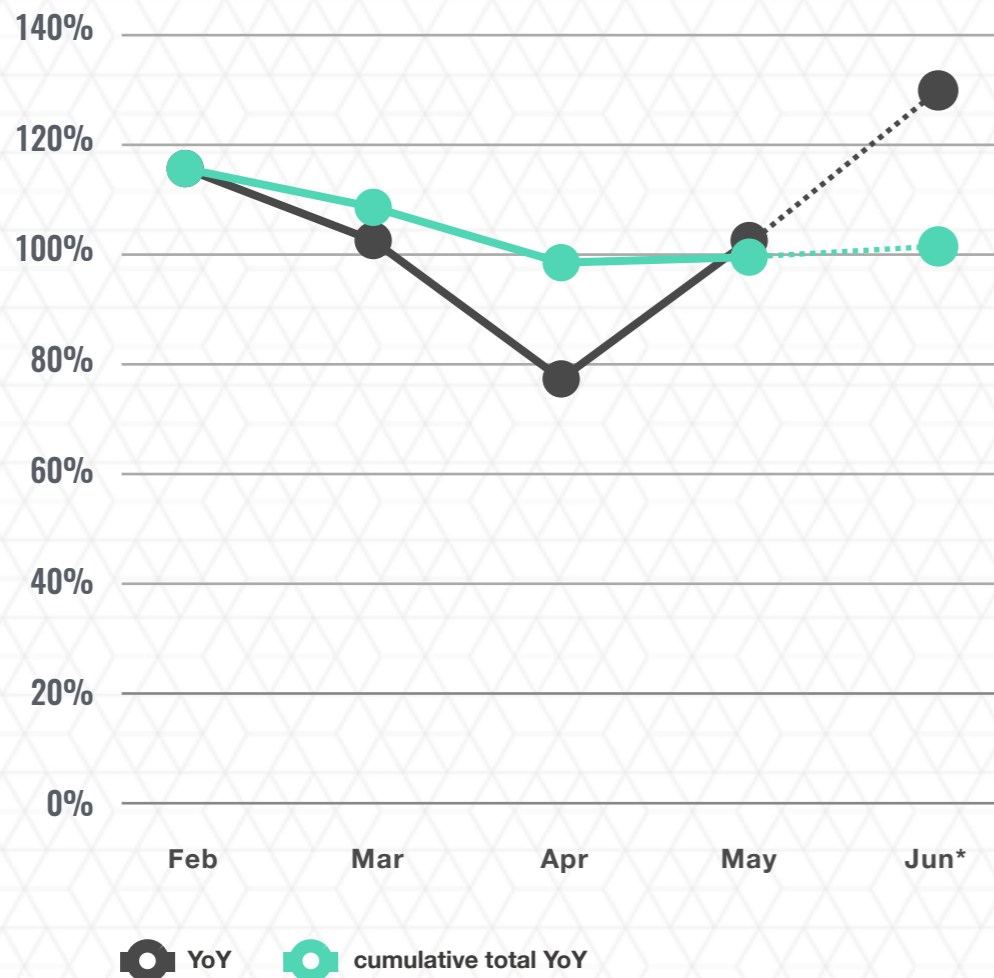
However, we responded promptly to changes in the external environment, and what with the subsequent easing of restrictions, etc., have been back on the path of recovery since May.

	Impact	Response
Distribution	Delays/suspension of international mail	Encourage the switch to private logistics companies that are functioning normally
Purchasing	Restrictions on purchasing due to the closing of physical stores	switching to purchasing from locations other than physical stores or sales of stock they had at hand
Behavioral patterns	Hesitancy to buy some items, especially those worn when going outside	Implementation of a flexible campaign showcasing items that meet the needs of users, such as in-demand products for use at home

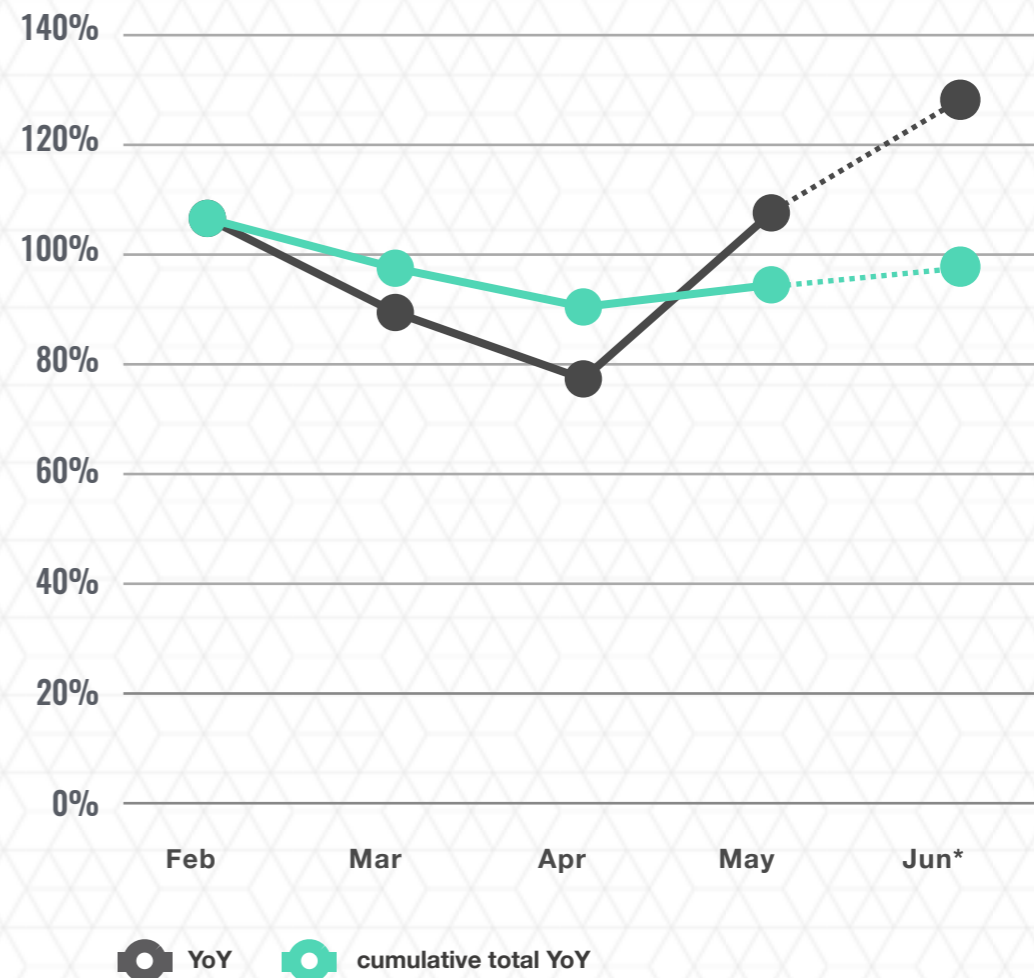
Trading Volume

The government requested people to refrain from making unnecessary outings and issued a state of emergency. As a result, trading volume stagnated for approx. 1 month from the end of March. From the end of April onward, we were back on track to recovery, and in May, trading volume was up YoY and remains brisk in June.

BUYMA overall trading volume



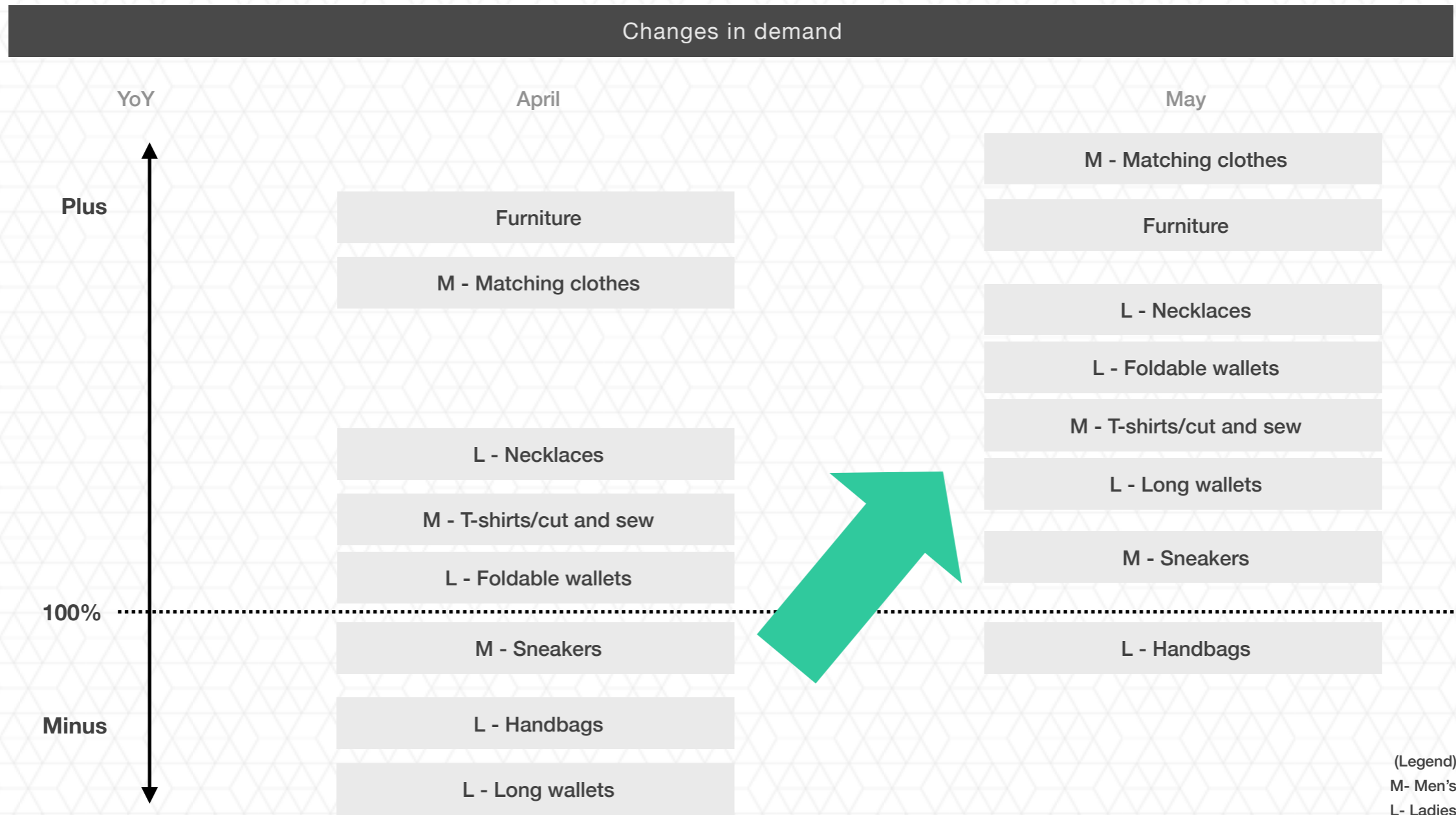
BUYMA no. of transactions



Note: Figures for June are based on results up until June 10th.

Situation surrounding Purchasers

As concerns grew over a possible lockdown at the end of March, there was a change in demand among purchasers. During April, there was an increase in sales of products associated with staying at home and products intended to make teleworkers look more “photogenic” when videoconferencing. By May, restrictions on movement were being eased, and orders recovered across the board.

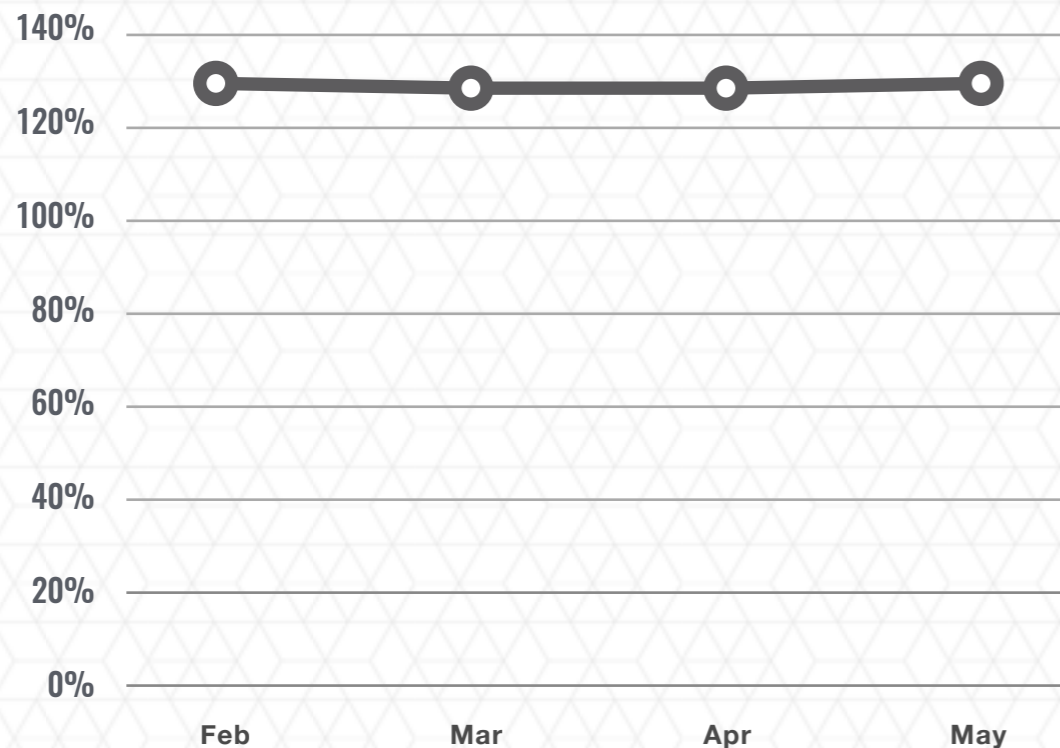


Situation surrounding Sellers

Amid restrictions on purchasing due to the impacts of lockdown, the number of items listed remained at a high level. The number of transactions bottomed out in April, but recovered in May in major purchasing areas due to improved distribution.

Transition in the no. of items listed

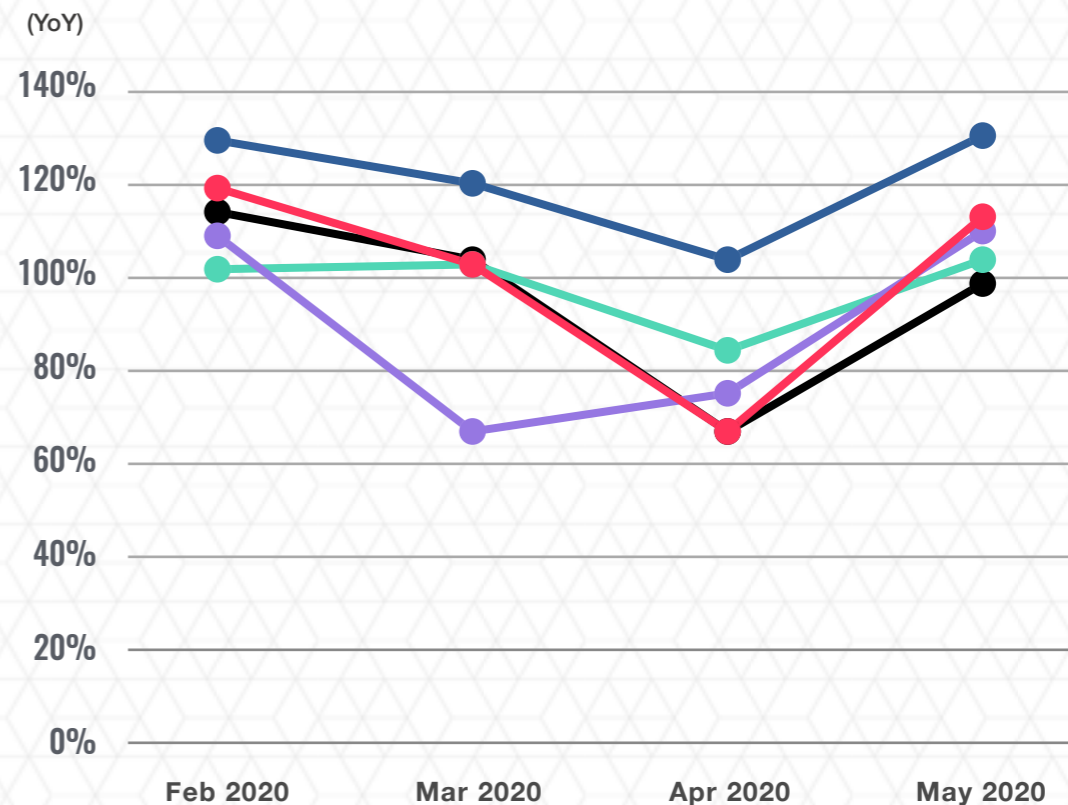
- A succession of stores closed and restrictions were placed on purchasing, but sellers continued to list products by switching to purchasing from locations other than physical stores or sales of stock they had at hand.
- The number of items listed greatly exceeded the previous year, and a varied product lineup was maintained.



YoY

Purchasing by area - Transition in the number of transactions

- The increasing switch from international mail to private courier services led to improved distribution.
- The number of transactions dropped greatly in Western countries during April, but recovered in May.



Italy US Korea UK France

Mid- Long-term Impacts

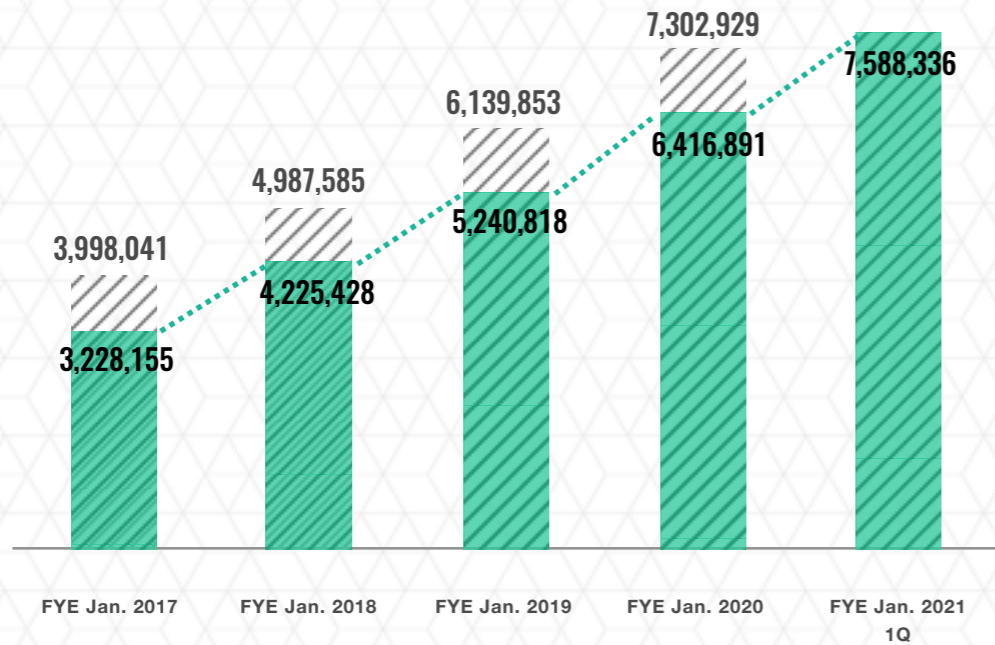
The future foreseeable changes in the business environment are mostly favorable for us.

We will aim to provide even more refined services as a “Specialty” Marketplace, and to position ourselves in ways which put us ahead of the rest.

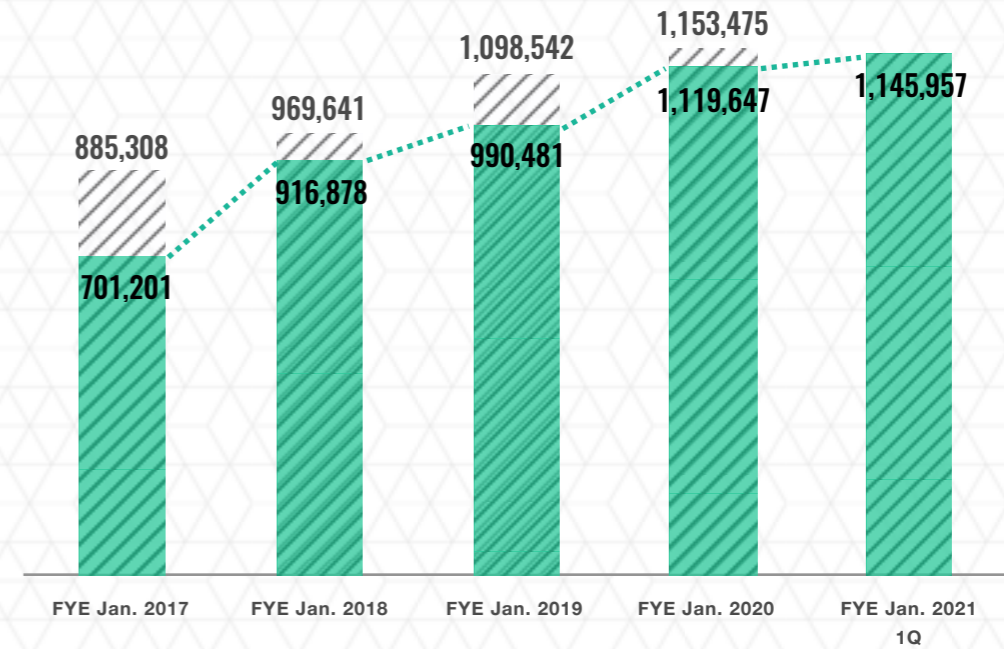
Foreseeable changes in the business environment	Degree of impact
Increase in demand for our services as a shopping intermediary due to a decrease in overseas travel	++
Establishment/increase of EC use	++
Fewer people wearing suits due to teleworking, increase in demand for smart casual wear and interior goods	+
Increase in competition due to further infiltration of EC	-

Transition in KPI

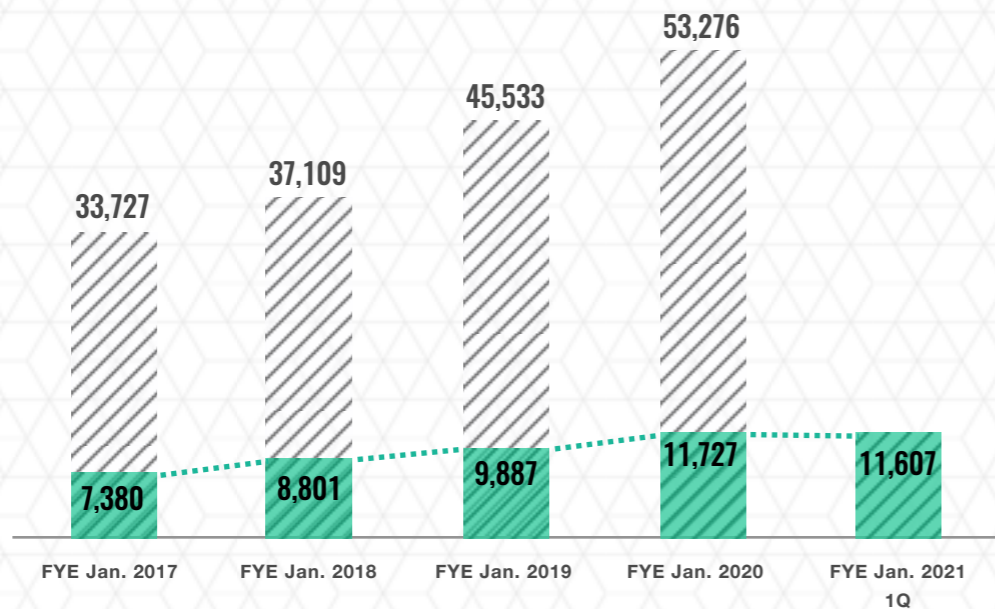
No. of BUYMA members (unit: people)



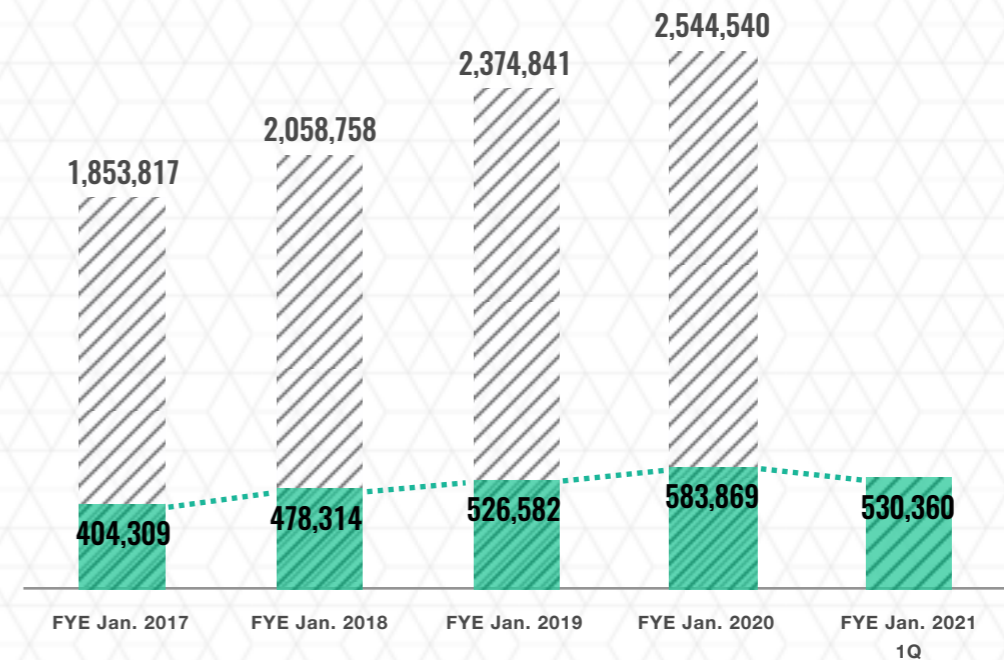
No. of active BUYMA members (unit: people)



BUYMA overall trading volume (unit: million yen)



BUYMA no. of transactions (unit: million yen)



1 Q Actual

Note: Overall trading volume : Including payment charges, etc.

Active users : Number of members who have made 1 or more purchases within the past year

These presentation materials are provided solely for the purpose of better understanding of our company and are not intended for the purpose of solicitation.

Forward-looking projections and forecasts contained within this document are made based on information available as of today.

Actual business performance may differ from projections due to risks and uncertainties in the future.

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