

Translation

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## Summary of Non-Consolidated Financial Results for the Nine Months Ended October 31, 2020 (Based on Japanese GAAP)

December 15, 2020

Company name: Enigmo Inc.  
 Stock exchange listing: Tokyo  
 Stock code: 3665 URL <http://http://www.enigmo.co.jp/>  
 Representative: Representative Director, CEO Shokei SUDA  
 Executive Officer,  
 Inquiries: Chief Director of Corporate Operation Yoichi KANEDA TEL 03-6894-3665  
 Scheduled date to file Quarterly Securities Report: December 15, 2020  
 Scheduled date to commence dividend payments: –  
 Preparation of supplementary material on quarterly financial results: Yes  
 Holding of quarterly financial results meeting: No

(Amounts less than one million yen are rounded down)

### 1. Non-consolidated financial results for the nine months ended October 31, 2020 (from February 1, 2020 to October 31, 2020)

#### (1) Non-consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended October 31, 2020	4,719	14.3	1,883	9.1	1,881	10.1	1,306	10.2
Nine months ended October 31, 2019	4,128	16.3	1,725	16.7	1,708	15.5	1,185	15.7

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Nine months ended October 31, 2020	31.38		–	
Nine months ended October 31, 2019	28.47		–	

#### (2) Non-consolidated financial position

	Total assets		Net assets		Equity ratio	
	Millions of yen		Millions of yen		%	
As of October 31, 2020	11,021		8,387		76.1	
As of January 31, 2020	8,835		7,371		83.4	

### 2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen				
Year ended January 31, 2020	–	0.00	–	7.00	7.00
Year ending January 31, 2021	–	0.00	–		
Year ending January 31, 2021 (Forecast)				0.00	0.00

### 3. Forecast of non-consolidated financial results for the year ending January 31, 2021 (from February 1, 2020 to January 31, 2021)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	7,011	15.0	2,962	10.0	2,961	10.4	2,055	10.5	49.37

4. Notes

(1) Application of special accounting methods for preparing quarterly non-consolidated financial statements: No

(2) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements

Changes in accounting policies due to revisions to accounting standards and other regulations: No

Changes in accounting policies due to other reasons: No

Changes in accounting estimates: No

Restatement of prior period financial statements: No

(3) Number of issued shares (common shares)

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

As of October 31, 2020	42,642,000 shares	As of January 31, 2020	42,642,000 shares
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Number of treasury shares at the end of the period

As of October 31, 2020	1,000,040 shares	As of January 31, 2020	1,000,040 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Nine months ended October 31, 2020	41,641,960 shares	Nine months ended October 31, 2019	41,641,961 shares
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**Quarterly non-consolidated financial statements**  
**Non-consolidated balance sheets**

(Thousands of yen)

	As of January 31, 2020	As of October 31, 2020
<b>Assets</b>		
Current assets		
Cash and deposits	8,186,097	10,182,046
Accounts receivable - trade	292,670	289,630
Merchandise	–	1,664
Supplies	–	5,242
Advance payments - trade	129,714	173,348
Prepaid expenses	31,127	33,308
Accounts receivable - other	7,516	15,962
Other	753	634
Total current assets	8,647,879	10,701,839
Non-current assets		
Property, plant and equipment		
Buildings	45,663	44,302
Tools, furniture and fixtures	16,236	29,141
Total property, plant and equipment	61,899	73,444
Intangible assets		
Software	11,711	8,053
Other	18	18
Total intangible assets	11,730	8,072
Investments and other assets		
Investment securities	575	119,799
Shares of subsidiaries and associates	104	104
Leasehold and guarantee deposits	63,826	63,820
Long-term prepaid expenses	12,487	7,135
Deferred tax assets	36,980	47,120
Total investments and other assets	113,972	237,980
Total non-current assets	187,603	319,496
Total assets	8,835,482	11,021,336
<b>Liabilities</b>		
Current liabilities		
Accounts payable - other	188,562	313,211
Accrued expenses	1,383	8,007
Income taxes payable	415,164	280,962
Accrued consumption taxes	90,312	94,059
Deposits received	712,680	1,873,852
Provision for point card certificates	29,194	33,809
Other	10,518	14,434
Total current liabilities	1,447,815	2,618,338
Non-current liabilities		
Asset retirement obligations	15,753	15,879
Total non-current liabilities	15,753	15,879
Total liabilities	1,463,569	2,634,218

(Thousands of yen)

	As of January 31, 2020	As of October 31, 2020
Net assets		
Shareholders' equity		
Share capital	381,903	381,903
Capital surplus		
Legal capital surplus	321,103	321,103
Other capital surplus	70,371	70,371
Total capital surpluses	391,474	391,474
Retained earnings		
Other retained earnings		
Retained earnings brought forward	7,014,241	8,029,471
Total retained earnings	7,014,241	8,029,471
Treasury shares	(415,429)	(415,429)
Total shareholders' equity	7,372,189	8,387,419
Valuation and translation adjustments		
Deferred gains or losses on hedges	(276)	(634)
Total valuation and translation adjustments	(276)	(634)
Share acquisition rights	–	332
Total net assets	7,371,913	8,387,118
Total liabilities and net assets	8,835,482	11,021,336

## Non-consolidated statements of income (cumulative)

(Thousands of yen)

	Nine months ended October 31, 2019	Nine months ended October 31, 2020
Net sales	4,128,625	4,719,579
Cost of sales	742,413	877,385
Gross profit	3,386,211	3,842,194
Selling, general and administrative expenses	1,660,297	1,959,098
Operating profit	1,725,914	1,883,095
Non-operating income		
Interest income	159	107
A lecture and a manuscript fee income	125	28
Gain on sales of goods	–	96
Other	–	0
Total non-operating income	284	232
Non-operating expenses		
Foreign exchange losses	755	1,784
Share issuance cost	–	180
Going public expenses	16,497	–
Miscellaneous loss	260	–
Total non-operating expenses	17,513	1,964
Ordinary profit	1,708,686	1,881,363
Extraordinary income		
Reversal of allowance for doubtful accounts	4,046	–
Gain on sales of non-current assets	36	232
Gain on reversal of share acquisition rights	297	–
Gain on sales of investment securities	–	3,077
Total extraordinary income	4,381	3,310
Extraordinary losses		
Loss on retirement of non-current assets	674	–
Loss on sales of non-current assets	–	217
Total extraordinary losses	674	217
Profit before income taxes	1,712,392	1,884,456
Income taxes - current	445,283	587,714
Income taxes - deferred	81,310	(9,982)
Total income taxes	526,593	577,732
Profit	1,185,799	1,306,723