

This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between the translated document and the Japanese original, the original shall prevail. Cookpad Inc. assumes no responsibility for this translation or for direct, indirect or any other forms of damages arising from the translation.

Cookpad Inc.

Consolidated Earnings Results for the Six Months ended 30 June 2023 [IFRS], unaudited

10 August 2023

Stock listed in: Tokyo Stock Exchange
 Securities code: 2193 URL <https://info.cookpad.com/>
 Representative: Rimpei Iwata, CEO
 For further information please contact: Morio Inukai, Executive Officer (TEL) +81-50-3142-1532
 Scheduled dates
 Filing of the quarterly securities report: 14 August 2023
 Dividend payout: N/A
 Supplementary materials for earnings results: To be provided
 Earnings results briefing: To be held (for institutional investors and analysts)

(Million JPY, rounded down to the nearest million JPY)

1. Consolidated Financial Results for the Six Months ended 30 June 2023 (1 Jan. 2023 through 30 Jun. 2023)

(1) Operational Results

(% represents year-on-year changes)

	Sales revenue		Operating income		Profit before tax		Net profit		Profit attributable to shareholders of Cookpad Inc.		Total comprehensive income	
	mm yen	%	mm yen	%	mm yen	%	mm yen	%	mm yen	%	mm yen	%
For six months ended 30 Jun. 2023	4,188	(8.3)	(2,645)	-	(2,393)	-	(2,405)	-	(2,405)	-	(1,505)	-
30 Jun. 2022	4,566	(10.6)	(1,388)	-	(1,339)	-	(1,371)	-	(1,266)	-	(857)	-

	EPS (Basic)	EPS (Diluted)
For six months ended	yen	yen
30 Jun. 2023	(24.40)	-
30 Jun. 2022	(12.15)	-

(2) Financial Position

	Total assets	Total equity	Total equity attributable to shareholders of Cookpad Inc.	Ratio of total equity attributable to shareholders of Cookpad Inc. to total assets
	mm yen	mm yen	mm yen	%
As of 30 Jun. 2023	15,469	13,530	13,530	87.5
As of 31 Dec. 2022	20,154	17,752	17,752	88.1

2. Dividends

	Dividend per share				
	End-Q1	End-Q2	End-Q3	Year-end	Total
Fiscal year ended/ending	yen	yen	yen	yen	yen
31 Dec. 2022	-	0.00	-	0.00	0.00
31 Dec. 2023	-	0.00	-	-	-
31 Dec. 2023 (Forecast)	-	-	-	0.00	0.00

(Note) Made revisions to most recently announced dividend forecast: No

3. Full Year Forecast of Consolidated Earnings (1 January 2023 through 31 December 2023)

To deliver on its mission to “Make everyday cooking fun!” the Cookpad Group (the “Group”) strives to pursue investment opportunities to provide cooking-related services to people worldwide. As Cookpad Inc. (the “Company”) assumes the need to provide estimates on business results flexibly taking into account the changes in the situation surrounding its businesses, the specific forecast of consolidated earnings for the fiscal year ending 31 December 2023 is omitted for the difficulty of making reasonable estimates.

***Notes**

(1) Made changes in significant subsidiaries during the period: No
(Changes in specified subsidiaries resulting in changes in the scope of consolidation)

(2) Changes in accounting policies and changes in accounting estimates

1) Made changes required for the adoption of IFRS: Yes

2) Made changes other than 1): No

3) Made changes in accounting estimates: No

(3) Number of shares issued (ordinary shares)

1) Number of shares issued (including treasury shares)	As of 30 Jun. 2023	107,429,400	As of 31 Dec. 2022	107,429,400
2) Number of treasury shares	As of 30 Jun. 2023	13,961,961	As of 31 Dec. 2022	3,219,061
3) Number of average shares during the period	As of 30 Jun. 2023	98,571,800	As of 30 Jun. 2022	104,210,339

* This report is exempt from the quarterly review by certified public accountants or auditing firms.

* Appropriate use of earnings forecasts and other special notes

The earnings forecast for the fiscal year ending 31 December 2023 is omitted for the reasons stated in the summary information "3. Full Year Forecast of Consolidated Earnings (1 January 2023 through 31 December 2023)."

Accompanying Materials

1. Analysis of Operating Results and Financial Position	4
(1) Analysis of Operating Results	4
(2) Analysis of Financial Position	6
(3) Consolidated Earnings Forecasts and Other Forward-Looking Information	6
2. Condensed Consolidated Financial Statements and Relevant Notes	7
(1) Condensed Consolidated Statements of Financial Position	7
(2) Condensed Consolidated Income Statements and Statements of Comprehensive Income	9
(3) Condensed Consolidated Statements of Changes in Equity	13
(4) Condensed Consolidated Statements of Cash Flows	14
(5) Notes on Condensed Consolidated Financial Statements	16

1. Analysis of Operating Results and Financial Position

(1) Analysis of Operating Results

The consolidated results for the six months ended 30 June 2023 (1 January 2023 through 30 June 2023) are as follows:

(Millions of yen)

	Six months ended 30 June 2022 (1 Jan. to 30 Jun. 2022)	Six months ended 30 June 2023 (1 Jan. to 30 Jun. 2023)	YoY change
Sales revenue	4,566	4,188	(8.3 %)
Operating loss	(1,388)	(2,645)	- %
Loss before tax	(1,339)	(2,393)	- %
Loss attributable to shareholders of the Company	(1,266)	(2,405)	- %

To deliver on its mission to “Make everyday cooking fun!” the Group has been making proactive investments to solve various problems associated with cooking and to increase the number of home cooks who enjoy cooking around the world. The Company’s articles of incorporation state, “Our Company exists to ‘Make everyday cooking fun!’ and this is our mission” and “When everyone on the planet enjoys everyday cooking, our company will dissolve,” to emphasise the Group’s goal and raison d’être.

Capitalism and its prioritisation of economic growth have had a massive impact on the world: extreme poverty is declining and, in general, life expectancy is increasing. However, we have started to realise how much we are sacrificing our own personal health and the health of our planet. Our diet is contributing to ‘lifestyle’ diseases, the biggest cause of deaths around the world, while the rapid shift to virtual relationships is contributing to mental illness. From the perspective of the “health” of the earth, the food value chain is one of the largest sources of carbon dioxide emissions, contributing to global warming, escalating land and marine pollution, and threatening the world’s biodiversity.

At the very moment we need to be more conscious of these issues and change our behaviour, we are actually becoming more ignorant of them. This is because we are outsourcing cooking to processed food, delivery services and restaurants. This act of outsourcing makes us less aware of what is going on with our food and everything connected to it.

We believe that we are at the point of no return; our food system must change. We need to find and act on solutions now. What we eat has an enormous impact on our world. So, cooking can help to make ourselves, society and the planet healthier. The Company strives to make a positive impact through home cooking.

Specifically, we aim to increase the number of “creators involved in cooking” including not only home cooks but also farmers and those who create food or related products, because once you become a creator, you become more aware. Creators think, they are curious, they are engaged. In turn, they tend to make conscious, informed choices, possibly resulting in the improvement of the earth’s health, which has often been damaged by modern society placing a higher priority on efficiency and profit.

We believe that if cooking is more enjoyable, then more people will cook more often. Some people are motivated by learning new skills, some by the creativity and others by being part of the community or the conviction that they are contributing to the health of ourselves, society, and the planet. Whatever their motivation, we will help to make cooking enjoyable for everyone who wants to cook.

Of the eight billion people on our planet, many home cooks are already enjoying cooking. We will create a community where the passion and wisdom of these people helps and inspires others.

The Group continues to strive to “Make everyday cooking fun!” for the better health of people, society, and the planet as well as corporate and shareholder value maximisation.

Sales revenue for the six months ended 30 June 2023 (“Q1-Q2 FY2023”) was 4,188 million yen (down 8.3% year on year). Its decrease was mainly due to declines in the domestic cookpad.com membership sales and the domestic cookpad.com advertising sales. SG&A expenses rose to 6,458 million yen (up 11.9% YoY) primarily attributed to a rise in labour cost stemming from the special severance payments related to the workforce downsizing for enhanced operational efficiency. This increase occurred despite the absence of expenses from the store business of CookpadLive Inc. (formerly Cookpad TV Inc.), which had been sold in FY2022. The Company posted an operating loss of 2,645 million yen (loss of 1,388 million yen a year earlier) after not only seeing sales revenue decrease and SG&A expenses increase but also recognising impairment losses on the goodwill for the domestic business. Loss before tax for the quarter was 2,393 million yen (loss of 1,339 million yen a year earlier) and loss attributable to shareholders of the Company was 2,405 million yen (loss of 1,266 million yen a year earlier).

The Group only has a single business segment “Make everyday cooking fun!” but provides a breakdown of sales revenue below.

Reportable Segment	(Millions of yen)		
	Six months ended 30 June 2022 (1 Jan. to 30 Jun. 2022)	Six months ended 30 June 2023 (1 Jan. to 30 Jun. 2023)	YoY change
Make everyday cooking fun!	4,566	4,188	(8.3%)
Domestic cookpad.com membership sales	3,266	2,996	(8.3%)
Domestic cookpad.com advertising sales	790	569	(27.9%)
Other sales	509	622	22.1%

The domestic cookpad.com membership sales for Q1-Q2 FY2023 were 2,996 million yen (down 8.3% year on year). This drop was primarily caused by, among others, a decrease in the premium services membership by around 147,000 members from the same period a year earlier.

The domestic cookpad.com advertising sales for Q1-Q2 FY2023 fell to 569 million yen (down 27.9% YoY) owing to a decline in the display advertising that resulted from the decision announced in February 2023 to partially discontinue the advertising business.

Other sales for Q1-Q2 FY2023 rose to 622 million yen (up 22.1% YoY) with the sales revenue of Cookpad Mart and the overseas premium services expanded.

(2) Analysis of Financial Position

a) Assets, liabilities and equity

(Assets)

As of 30 June 2023, total assets were 15,469 million yen, down 4,685 million yen from 31 December 2022; current assets were 14,414 million yen, down 4,515 million yen, and non-current assets were 1,054 million yen, down 169 million yen.

The main factor behind the decrease of total assets was a decline in cash and cash equivalents by 4,230 million yen largely driven by the expenditure of 2,714 million yen for the tender offer to buy back shares of the Company as well as the increased payments for operating activities.

(Liabilities)

As of 30 June 2023, total liabilities were 1,938 million yen, down 464 million yen from 31 December 2022; current liabilities were 1,406 million yen, down 138 million yen, and non-current liabilities were 531 million yen, down 326 million yen.

The decline was due to a reduction of 348 million yen in lease obligations through repayments.

(Equity)

As of 30 June 2023, total equity was 13,530 million yen, down 4,221 million yen from 31 December 2022.

This decrease was mainly caused by a decline in retained earnings by 2,409 million yen with the net loss reported for the quarter, and the acquisition of the Company's own shares valued at 2,578 million yen. Conversely, other components of equity saw an increase of 889 million yen, in part attributed to the weaker yen.

b) Cash flows

As of 30 June 2023, the balance of cash and cash equivalents ("Funds") was 12,593 million yen, down 4,230 million yen from 31 December 2022, primarily due to the factors shown below.

(Cash flows from operating activities)

Funds used in operating activities totalled 1,979 million yen, after the Company posted a loss before tax of 2,393 million yen while recording impairment loss of 143 million yen due to goodwill impairment mainly on domestic business and trade and other receivables decreased by 201 million yen.

(Cash flows from investing activities)

Funds used in investing activities totalled 477 million yen as the Company recorded expenses of 457 million yen incurred by the acquisition of investment securities.

(Cash flows from financing activities)

Funds used in financing activities totalled 2,915 million yen. Of this, 2,714 million yen was used for the buyback of the Company's shares, and 201 million yen for the repayment of lease obligations.

(3) Consolidated Earnings Forecasts and Other Forward-Looking Information

To deliver on its mission to "Make everyday cooking fun!" the Group strives to pursue investment opportunities to provide cooking-related services to people worldwide. As the Company assumes the need to provide estimates on business results flexibly taking into account the changes in the situation surrounding its businesses, the specific forecast of consolidated earnings for the fiscal year ending 31 December 2023 is not disclosed for the difficulty of making reasonable estimates.

2. Condensed Consolidated Financial Statements

(1) Condensed Consolidated Statements of Financial Position

(Thousands of yen)

	As of 31 December 2022	As of 30 June 2023
Assets		
Current assets		
Cash and cash equivalents	16,824,230	12,593,643
Trade and other receivables	1,569,801	1,433,248
Other financial assets	32,184	361
Inventories	63,178	42,231
Other current assets	440,410	344,730
Total current assets	18,929,803	14,414,212
Non-current assets		
Property, plant and equipment	668,464	328,632
Goodwill	140,920	-
Intangible assets	92,012	85,366
Other financial assets	261,157	587,143
Deferred tax assets	57,004	53,591
Other non-current assets	4,997	82
Total non-current assets	1,224,555	1,054,814
Total assets	20,154,358	15,469,026

(Thousands of yen)

	As of 31 December 2022	As of 30 June 2023
Liabilities and equity		
Liabilities		
Current liabilities		
Lease obligations	408,340	377,552
Trade and other payables	879,104	836,129
Other financial liabilities	130,710	85,600
Income tax payable	92,588	38,669
Other current liabilities	34,052	68,731
Total current liabilities	1,544,793	1,406,681
Non-current liabilities		
Lease obligations	729,564	411,888
Provisions	113,289	112,845
Other non-current liabilities	14,711	6,761
Total non-current liabilities	857,563	531,494
Total liabilities	2,402,357	1,938,175
Equity		
Capital stock	5,286,015	5,286,015
Capital surplus	7,146,652	7,014,416
Retained earnings	5,501,550	3,091,839
Treasury shares	(735,054)	(3,313,350)
Other components of equity	552,839	1,451,931
Equity attributable to shareholders of the Company	17,752,001	13,530,851
Total equity	17,752,001	13,530,851
Total equity and liabilities	20,154,358	15,469,026

(2) Condensed Consolidated Income Statements and Statements of Comprehensive Income

Condensed Consolidated Income Statements

The first six months of FY2022 and FY2023

(Thousands of yen)

	Six months ended 30 June 2022 (1 Jan. to 30 Jun. 2022)	Six months ended 30 June 2023 (1 Jan. to 30 Jun. 2023)
Sales revenue	4,566,177	4,188,601
Cost of sales	(203,789)	(226,304)
Gross profit	4,362,388	3,962,296
Selling, general and administrative expenses	(5,770,111)	(6,458,506)
Other income	19,322	70,476
Other expense	(159)	(219,749)
Operating loss	(1,388,559)	(2,645,483)
Financial income	121,833	255,881
Financial expense	(73,190)	(3,422)
Loss before tax	(1,339,917)	(2,393,024)
Income tax expense	(31,122)	(12,311)
Net loss	(1,371,039)	(2,405,336)
Loss attributable to:		
Shareholders of the Company	(1,266,485)	(2,405,336)
Non-controlling interests	(104,554)	-
Net loss	(1,371,039)	(2,405,336)
Loss per share		
Basic loss per share	(12.15)	(24.40)
Diluted loss per share	-	-

Second quarter of FY2022 and FY2023

(Thousands of yen)

	Second quarter of FY2022 (1 Apr. to 30 Jun. 2022)	Second quarter of FY2023 (1 Apr. to 30 Jun. 2023)
Sales revenue	2,269,058	1,998,751
Cost of sales	(103,379)	(85,639)
Gross profit	2,165,679	1,913,112
Selling, general and administrative expenses	(2,941,756)	(2,926,405)
Other income	7,058	54,706
Other expense	(133)	24,707
Operating loss	(769,152)	(933,880)
Financial income	80,491	170,772
Financial expense	(71,003)	(1,937)
Loss before tax	(759,665)	(765,046)
Income tax expense	(18,109)	(7,783)
Net loss	(777,774)	(772,828)
Loss attributable to:		
Shareholders of the Company	(725,711)	(772,828)
Non-controlling interests	(52,063)	-
Net loss	(777,774)	(772,828)
Loss per share		
Basic loss per share	(6.96)	(8.26)
Diluted loss per share	-	-

Condensed Consolidated Statements of Comprehensive Income

The first six months of FY2022 and FY2023

	(Thousands of yen)	
	Six months ended 30 June 2022 (1 Jan. to 30 Jun. 2022)	Six months ended 30 June 2023 (1 Jan. to 30 Jun. 2023)
Net loss	(1,371,039)	(2,405,336)
Other comprehensive income		
Items that will not be reclassified subsequently to profit or loss		
Net change in financial instruments designated as those to be measured at fair value through other comprehensive income and measured as such	1,216	(137,936)
Remeasurements of defined benefit plans	-	(4,375)
Total of items that will not be reclassified subsequently to profit or loss	1,216	(142,311)
Items that may be reclassified subsequently to profit or loss		
Exchange differences on translating foreign operations	512,810	1,042,142
Total items that may be reclassified subsequently to profit or loss	512,810	1,042,142
Other comprehensive income, net of tax	514,026	899,830
Comprehensive income	(857,013)	(1,505,506)
Comprehensive income attributable to:		
Shareholders of the Company	(752,459)	(1,505,506)
Non-controlling interests	(104,554)	-
Comprehensive income	(857,013)	(1,505,506)

Second quarter of FY2022 and FY2023

(Thousands of yen)

	Second quarter of FY2022 (1 Apr. to 30 Jun. 2022)	Second quarter of FY2023 (1 Apr. to 30 Jun. 2023)
Net loss	(777,774)	(772,828)
Other comprehensive income		
Items that will not be reclassified subsequently to profit or loss		
Net change in financial instruments designated as those to be measured at fair value through other comprehensive income and measured as such	660	1,233
Remeasurements of defined benefit plans	-	(4,375)
Total of items that will not be reclassified subsequently to profit or loss	660	(3,142)
Items that may be reclassified subsequently to profit or loss		
Exchange differences on translating foreign operations	281,193	700,901
Total items that may be reclassified subsequently to profit or loss	281,193	700,901
Other comprehensive income, net of tax	281,853	697,759
Comprehensive income	(495,921)	(75,069)
Comprehensive income attributable to:		
Shareholders of the Company	(443,858)	(75,069)
Non-controlling interests	(52,063)	-
Comprehensive income	(495,921)	(75,069)

(3) Condensed Consolidated Statements of Changes in Equity

The first six months of FY2022 (1 January 2022 through 30 June 2022)

(Thousands of yen)

	Equity attributable to shareholders of the Company						Non-controlling interests	Total equity
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Other components of equity	Equity attributable to shareholders of the Company		
Balance as of 1 Jan. 2022	5,286,015	7,194,224	8,985,618	(735,054)	299,123	21,029,926	601,707	21,631,633
Net loss	-	-	(1,266,485)	-	-	(1,266,485)	(104,554)	(1,371,039)
Other comprehensive income	-	-	-	-	514,026	514,026	-	514,026
Total comprehensive income	-	-	(1,266,485)	-	514,026	(752,459)	(104,554)	(857,013)
Share-based payment transaction	-	-	-	-	15,026	15,026	-	15,026
Reclassification to retained earnings	-	-	-	-	-	-	-	-
Acquisition of treasury shares	-	-	-	-	-	-	-	-
Other	-	(0)	-	-	-	(0)	-	(0)
Total transactions with shareholders	-	(0)	-	-	15,026	15,026	-	15,026
Balance as of 30 Jun. 2022	5,286,015	7,194,224	7,719,134	(735,054)	828,175	20,292,493	497,153	20,789,646

The first six months of FY2023 (1 January 2023 through 30 June 2023)

(Thousands of yen)

	Equity attributable to shareholders of the Company						Non-controlling interests	Total equity
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Other components of equity	Equity attributable to shareholders of the Company		
Balance as of 1 Jan. 2023	5,286,015	7,146,652	5,501,550	(735,054)	552,839	17,752,001	-	17,752,001
Net loss	-	-	(2,405,336)	-	-	(2,405,336)	-	(2,405,336)
Other comprehensive income	-	-	-	-	899,830	899,830	-	899,830
Total comprehensive income	-	-	(2,405,336)	-	899,830	(1,505,506)	-	(1,505,506)
Share-based payment transaction	-	-	-	-	(5,113)	(5,113)	-	(5,113)
Reclassification to retained earnings	-	-	(4,375)	-	4,375	-	-	-
Acquisition of treasury shares	-	(132,236)	-	(2,578,296)	-	(2,710,532)	-	(2,710,532)
Other	-	-	-	-	-	-	-	-
Total transactions with shareholders	-	(132,236)	(4,375)	(2,578,296)	(738)	(2,715,645)	-	(2,715,645)
Balance as of 30 Jun. 2023	5,286,015	7,014,416	3,091,839	(3,313,350)	1,451,931	13,530,851	-	13,530,851

(4) Condensed Consolidated Statements of Cash Flows

	(Thousands of yen)	
	Six months ended 30 June 2022 (1 Jan. to 30 Jun. 2022)	Six months ended 30 June 2023 (1 Jan. to 30 Jun. 2023)
Cash flows from operating activities		
Loss before tax	(1,339,917)	(2,393,024)
Impairment loss	27,916	143,867
Depreciation and amortisation	138,494	169,355
Financial expense (or income)	(86,037)	(277,755)
Net decrease (or increase) of trade and other receivables	260,630	201,776
Net increase (or decrease) of trade and other payables	(79,587)	(69,906)
Net increase/decrease of consumption taxes payable or consumption taxes refund receivable	182,080	55,040
Other	8,304	92,943
Subtotal	(888,117)	(2,077,705)
Interest and dividend income received	17,169	144,162
Interest expenses paid	(2,800)	(2,218)
Income taxes refunded (or paid)	53,318	(43,686)
Cash flows from operating activities	(820,429)	(1,979,447)
Cash flows from investing activities		
Purchase of property, plant and equipment	(26,071)	(7,094)
Purchase of intangible assets	(3,344)	(4,899)
Purchase of investment securities	(66,582)	(457,770)
Payment for lease and guarantee deposits	(4,539)	(4,406)
Proceeds from collection of lease and guarantee deposits	32,969	2,253
Other	(34,545)	(5,710)
Cash flows from investing activities	(102,111)	(477,626)

	(Thousands of yen)	
	Six months ended 30 June 2022 (1 Jan. to 30 Jun. 2022)	Six months ended 30 June 2023 (1 Jan. to 30 Jun. 2023)
Cash flows from financing activities		
Repayments of lease obligations	(181,605)	(201,194)
Purchases of treasury shares	-	(2,714,089)
Other	(0)	-
Cash flows from financing activities	(181,605)	(2,915,283)
Net increase (or decrease) in cash and cash equivalents	(1,104,146)	(5,372,356)
Cash and cash equivalents at beginning of period	20,410,037	16,824,230
Effect of exchange rate change on cash and cash equivalents	665,504	1,141,769
Cash and cash equivalents at end of period	19,971,395	12,593,643

(5) Notes to Condensed Consolidated Financial Statements

1. Reporting entity

Cookpad Inc. (the “Company”) is a company located in Japan. These condensed consolidated financial statements contain business results of the Company and its subsidiaries (collectively the “Group”) for the six months ended 30 June 2023 (“Q2 FY2023”).

The Group is committed to its mission to “Make everyday cooking fun!” and operates “Cookpad,” a platform for finding and posting recipes online and other cooking-related businesses.

2. Basis of preparation

(1) Compliance with IFRS

The Group fulfils the requirements of a “specified company applying designated International Financial Reporting Standards” as provided in Article 1-2 of the “Ordinance on Terminology, Forms, and Preparation Methods of Quarterly Consolidated Financial Statements” (Ordinance of the Cabinet Office No. 64 of 2007). Therefore, the Company’s condensed consolidated financial statements are prepared in conformity with IAS 34 “Interim Financial Reporting” in accordance with the provisions of Article 93 of the ordinance.

The condensed consolidated financial statements do not include all information required for the consolidated financial statements for the full year, and thus should be used together with the consolidated financial statements for the previous fiscal year.

(2) Basis of measurement

The Group’s condensed consolidated financial statements are prepared on historical cost, except for certain financial instruments and other assets to be measured on a fair value basis.

(3) Functional and presentation currency

The Group’s condensed consolidated financial statements are presented in Japanese yen and financial figures are rounded to the nearest thousand yen.

3. Significant accounting policies

Significant accounting policies applied to the preparation of these condensed consolidated financial statements are the same as the ones applied to the consolidated financial statements for the previous fiscal year, except the changes described below.

Income taxes for Q2 FY2023 have been calculated using the estimated average annual effective tax rate.

(Changes in accounting policies)

The Group applies IAS 12 “Income Taxes” (which clarifies the accounting treatment required for a deferred tax related to assets and liabilities arising from a single transaction) starting from Q1 FY2023. The application of the standard and its related interpretations has no impact on the condensed consolidated financial statements for Q2 FY2023.

4. Use of significant accounting estimates and judgments

The preparation of condensed consolidated financial statements requires the management to make certain judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, revenues, and expenses. These estimates and assumptions may differ from the actual results.

These estimates and underlying assumptions are reviewed by management on a continuous basis. Changes in these accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

The management has applied the same estimates and judgments that materially affect the reported amounts in the condensed consolidated financial statements for Q2 FY2023 as it did for the consolidated financial statements for FY2022.

5. Segment information

The Group only has a single business segment “Make everyday cooking fun!” and thus the description of business results for each business field is omitted.

6. Subsequent events

Not applicable.

(6) Notes on the Going Concern Assumption

Not applicable.