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Cookpad Inc.

Consolidated Earnings Results for the Fiscal Year ended 31 December 2023

[IFRS], unaudited

9 February 2024

Stock listed in: Tokyo Stock Exchange
 Securities code: 2193 URL <https://info.cookpad.com/>
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 Scheduled dates
 General Meeting of Shareholders: 28 March 2024
 Dividend payout: N/A
 Filing of the securities report: 29 March 2024
 Supplementary materials for earnings results: Prepared
 Earnings results briefing: To be held (for institutional investors and analysts)

(Millions of yen, rounded down to the nearest million yen)

1. Consolidated Financial Results for the Year ended 31 December 2023 (1 January 2023 through 31 December 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	%
Fiscal year ended 31 Dec. 2023	7,607	(16.3)	(2,799)	-	(2,379)	-	(2,229)	-	(2,229)	-	(1,286)	-
31 Dec. 2022	9,086	(9.2)	(3,520)	-	(3,529)	-	(3,592)	-	(3,488)	-	(3,360)	-

	EPS (Basic)		EPS (Diluted)		ROE attributable to shareholders of Cookpad Inc.		Ratio of profit before tax to total assets		Ratio of operating margin	
	yen	%	yen	%	%	%	%	%	%	%
Fiscal year ended 31 Dec. 2023	(23.21)	-	-	-	(14.2)	-	(13.7)	-	(36.8)	-
31 Dec. 2022	(33.47)	-	-	-	(18.0)	-	(16.0)	-	(38.7)	-

(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		Equity attributable to shareholders of Cookpad Inc. per share	
	mm yen	%	mm yen	%	mm yen	%	%	%	yen	%
As of 31 Dec. 2023	14,597	94.0	13,727	94.0	13,727	94.0	94.0	94.0	146.87	94.0
As of 31 Dec. 2022	20,154	88.1	17,752	88.1	17,752	88.1	88.1	88.1	169.52	88.1

(3) Cash Flow Position

	Cash flows from operating activities		Cash flows from investing activities		Cash flows from financing activities		Cash and cash equivalents at the end of the period	
	mm yen	%	mm yen	%	mm yen	%	mm yen	%
Fiscal year ended 31 Dec. 2023	(2,159)	-	(531)	-	(3,084)	-	12,023	-
31 Dec. 2022	(2,701)	-	(261)	-	(976)	-	16,824	-

2. Dividends

	Dividend per share					Total dividends paid (full year)	Dividend payout ratio (consolidated)	Dividend on equity attributable to shareholders of Cookpad Inc. (consolidated)
	End-Q1	End-Q2	End-Q3	Year-end	Total			
Fiscal year ended/ending	yen	yen	yen	yen	yen	mm yen	%	%
31 Dec. 2022	-	0.00	-	0.00	0.00	-	-	-
31 Dec. 2023	-	0.00	-	0.00	0.00	-	-	-
31 Dec. 2024 (Forecast)	-	0.00	-	0.00	0.00	-	-	-

3. Full Year Forecast of Consolidated Earnings (1 January 2024 through 31 December 2024)

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 the timing and the scale of investment should be decided in an agile manner taking consideration of changes in business environment, it is difficult to reasonably estimate the consolidated earnings for the fiscal year ending December 31, 2024. Thus, the Company has omitted the consolidated earnings forecast for fiscal 2024.

***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 31 Dec. 2023	107,429,400	As of 31 Dec. 2022	107,429,400
2) Number of treasury shares	As of 31 Dec. 2023	13,961,961	As of 31 Dec. 2022	3,219,061
3) Number of average shares during the period	As of 31 Dec. 2023	95,998,643	As of 31 Dec. 2022	104,210,339

(Reference) Overview of Non-consolidated Financial Results

1. Non-consolidated Results for the Fiscal Year ended 31 December 2023 (1 January 2023 through 31 December 2023)

(1) Operational Results

(% represents year-on-year changes)

Fiscal year ended	Net sales		Operating income		Ordinary income		Net income	
	mm yen	%	mm yen	%	mm yen	%	mm yen	%
31 Dec. 2023	7,261	(16.1)	(2,100)	-	(1,592)	-	(2,147)	-
31 Dec. 2022	8,652	(9.2)	(3,223)	-	(2,924)	-	(3,032)	-

Fiscal year ended	EPS	Diluted EPS
	Yen	yen
31 Dec. 2023	(22.37)	-
31 Dec. 2022	(29.10)	-

(2) Financial Position

As of 31 Dec.	Total assets		Net assets		Equity ratio	Net assets per share
	mm yen	mm yen	mm yen	mm yen	%	yen
2023	16,697	16,001	16,001	16,001	95.5	170.56
2022	22,155	20,754	20,754	20,754	93.3	198.33

(Ref.) Total equity: As of 31 Dec. 2023: 15,942 million yen; As of 31 Dec. 2022: 20,668 million yen

* This report is exempt from audit by certified public accountants or auditing firms.

* Appropriate use of earnings forecasts and other special notes

(Consolidated earnings forecasts)

The earnings forecast for the fiscal year ending 31 December 2024 is omitted for the reasons stated in the summary information “3. Full Year Forecast of Consolidated Earnings (1 January 2024 through 31 December 2024).”

(Materials for the earnings results briefing)

In addition to the consolidated earnings results document, the video of the earnings results briefing for the fiscal year ended 31 December 2023 and the materials distributed for the briefing will be made available on the Company’s corporate website following the timely disclosure of the consolidated earnings results for the fiscal period under review.

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1. Analysis of Operating Results and Financial Position

(1) Analysis of Operating Results

The consolidated results for the fiscal year ended 31 December 2023 (1 January 2023 through 31 December 2023) are as follows:

(Millions of yen)

	Fiscal year ended 31 December 2022 (1 Jan. to 31 Dec. 2022)	Fiscal year ended 31 December 2023 (1 Jan. to 31 Dec. 2023)	YoY change
Sales revenue	9,086	7,607	(16.3 %)
Operating loss	(3,520)	(2,799)	- %
Loss before tax	(3,529)	(2,379)	- %
Loss attributable to shareholders of the Company	(3,488)	(2,229)	- %

To deliver on its mission to “Make everyday cooking fun!” the Group has been making proactive investments to solve various problems associated with 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.

Currently, We operate “Cookpad,” a platform for finding and sharing recipes, across 71 countries in 29 languages. Additionally, we are advancing the development and enhancement of cooking-related services such as “Cookpad Mart,” a fresh food e-commerce platform offering enhanced shopping freedom, and “moment,” our personal culinary coaching service.

Sales revenue for the fiscal year ended 31 December 2023 (“FY2023”) was 7,607 million yen (down 16.3% year on year). Its decrease was due to the declines in the domestic recipe service membership sales and the domestic recipe service advertising sales. SG&A expenses fell to 10,108 million yen (down 17.4% YoY) owing to the improvement in cost efficiency, although one-time expenses were incurred for the reorganisation of our business development structure and personnel downsizing.

Operating loss improved to 2,799 million yen (compared to 3,520 million yen a year earlier) with the decrease in SG&A expenses more than offsetting the drop in sales revenue. Consequently, loss before tax declined to 2,379 million yen (compared to 3,529 million yen a year earlier), and loss attributable to shareholders of the Company was 2,229 million yen (compared to 3,488 million yen a year earlier).

For the fourth quarter of FY2023, the most recent quarter that concluded, the completion of the reorganisation of our business development structure and the personnel downsizing led to a return to profitability across three key P/L metrics: operating profit, profit before tax and profit attributable to shareholders of the Company for the said quarter were 285 million yen, 333 million yen and 496 million yen, respectively.

However, acknowledging that the profitability achieved in the fourth quarter of FY2023 primarily resulted from cost reduction measures, we remain committed to proactively investing in the development of businesses poised to set standards for the future. This approach is aimed at enhancing our secular corporate value and maximising shareholder value.

(Millions of yen)

Reportable Segment	Fiscal year ended 31 December 2022 (1 Jan. to 31 Dec. 2022)	Fiscal year ended 31 December 2023 (1 Jan. to 31 Dec. 2023)	YoY change
Make everyday cooking fun!	9,086	7,607	(16.3%)
Domestic recipe service membership sales	6,408	5,863	(8.5%)
Domestic recipe service advertising sales	1,542	786	(49.0%)
Other sales	1,136	957	(15.8%)

The domestic recipe service membership sales for FY2023 were 5,863 million yen (down 8.5% year on year). This drop was mainly caused by the decrease in the Premium Services membership by around 160 thousand members compared to a year earlier, to 1,525 thousand as of the end of FY2023.

The domestic recipe service advertising sales for FY2023 fell to 786 million yen (down 49.0% YoY) owing primarily

to the suspension of sales activities for various advertisements following our decision to discontinue the advertising business.

Other sales for FY2023 decreased to 957 million yen (down 15.8% YoY) with some operations restructured or discontinued.

(2) Analysis of Financial Position

(Assets)

As of 31 December 2023, total assets were 14,597 million yen, down 5,556 million yen from 31 December 2022; current assets were 13,918 million yen, down 5,011 million yen, and non-current assets were 679 million yen, down 545 million yen.

The main factor behind these declines was the decrease in cash and cash equivalents by 4,800 million yen, largely driven by the expenditure of 2,714 million yen for the tender offer to buy back shares of the Company's stock as well as the increased payments for operating activities.

(Liabilities)

As of 31 December 2023, total liabilities were 869 million yen, down 1,532 million yen from 31 December 2022; current liabilities were 751 million yen, down 739 million yen, and non-current liabilities were 118 million yen, down 739 million yen.

As the main cause of the sharp decline in current liabilities, operating trade and other payables fell by 415 million yen owing to the operational streamlining. The decrease in non-current liabilities largely resulted from a decline in long-term lease obligations by 657 million yen, following the rent payments for the headquarters office and the termination of some overseas office leases.

(Equity)

As of 31 December 2023, total equity was 13,727 million yen, down 4,024 million yen from 31 December 2022. Other components of equity increased by 919 million yen partly due to weak yen, but retained earnings decreased by 2,232 million after the recording of net loss for the current fiscal year, and the Company acquired shares of its own stock worth 2,578 million yen through a tender offer.

(3) Analysis of Cash Flows

As of 31 December 2023, the balance of cash and cash equivalents ("Funds") was 12,023 million yen, down 4,800 million yen from 31 December 2022, primarily due to the factors shown below by the category of activities.

(Cash flows from operating activities)

Funds used in operating activities totalled 2,159 million yen after a loss before tax of 2,379 million yen was incurred.

(Cash flows from investing activities)

Funds used in investing activities totalled 531 million yen as the Company recorded expenses of 465 million yen from the acquisition of investment securities.

(Cash flows from financing activities)

Funds used in financing activities totalled 3,084 million yen, of which 2,714 million yen was used for the share buyback and 370 million yen was repaid for lease obligations.

(4) Future Outlook

To deliver on its mission to “Make everyday cooking fun!” the Group strives to pursue investment opportunities to provide cooking-related services for people around the world. The timing and the scale of investments should be decided in an agile manner to respond to changes in the business environment. Therefore, due to the impossibility of making reasonable estimations, the specific forecast of consolidated earnings for the fiscal year ending 31 December 2024 is omitted.

(5) Basic Policy for Profit Distribution

To focus on building the foundation for further growth, the Company decided not to pay dividends, prioritising investment for business expansion through business development, user base boosting and better branding over other uses of profits earned from its business activities.

2. Basic Policy on Selection of Accounting Standards

Based on its mission to “Make everyday cooking fun!” the Company strives to expand its business worldwide by providing services that enhance the enjoyment of international cuisines for users in Japan and around the world. In this context, the Company has adopted International Financial Reporting Standards (IFRS) to facilitate international comparison of financial information and extend the scope of disclosure for the convenience of our stakeholders, including shareholders and investors in Japan and overseas.

3. Condensed Consolidated Financial Statements
(1) Condensed Consolidated Statements of Financial Position

(Thousands of yen)

	As of 31 December 2022	As of 31 December 2023
Assets		
Current assets		
Cash and cash equivalents	16,824,230	12,023,485
Trade and other receivables	1,569,801	1,207,728
Other financial assets	32,184	366,1328
Inventories	63,178	11,506
Other current assets	440,410	309,442
Total current assets	18,929,803	13,918,294
Non-current assets		
Property, plant and equipment	668,464	195,722
Goodwill	140,920	-
Intangible assets	92,012	78,347
Other financial assets	261,157	265,220
Deferred tax assets	57,004	140,072
Other non-current assets	4,997	-
Total non-current assets	1,224,555	679,361
Total assets	20,154,358	14,597,655

(Thousands of yen)

	As of 31 December 2022	As of 31 December 2023
Liabilities and equity		
Liabilities		
Current liabilities		
Lease obligations	408,340	211,856
Trade and other payables	879,104	463,984
Other financial liabilities	130,710	42,415
Income tax payable	92,588	13,994
Other current liabilities	34,052	19,176
Total current liabilities	1,544,793	751,424
Non-current liabilities		
Lease obligations	729,564	72,292
Provisions	113,289	39,095
Other non-current liabilities	14,711	6,945
Total non-current liabilities	857,563	118,332
Total liabilities	2,402,357	869,756
Equity		
Capital stock	5,286,015	5,286,015
Capital surplus	7,146,652	7,014,416
Retained earnings	5,501,550	3,268,637
Treasury shares	(735,054)	(3,313,350)
Other components of equity	552,839	1,472,182
Equity attributable to shareholders of the Company	17,752,001	13,727,899
Total equity	17,752,001	13,727,899
Total equity and liabilities	20,154,358	14,597,655

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

(Thousands of yen)

	Fiscal year ended 31 December 2022 (1 Jan. to 31 Dec. 2022)	Fiscal year ended 31 December 2023 (1 Jan. to 31 Dec. 2023)
Sales revenue	9,086,984	7,607,325
Cost of sales	(424,571)	(316,874)
Gross profit	8,662,412	7,290,451
Selling, general and administrative expenses	(12,232,347)	(10,108,535)
Other income	50,695	416,152
Other expense	(1,290)	(397,913)
Operating loss	(3,520,529)	(2,799,845)
Financial income	166,165	425,547
Financial expense	(174,692)	(5,624)
Loss before tax	(3,529,057)	(2,379,922)
Income tax expense	(63,585)	150,916
Net loss	(3,592,642)	(2,229,005)
Loss attributable to:		
Shareholders of the Company	(3,488,088)	(2,229,005)
Non-controlling interests	(104,554)	-
Net loss	(3,592,642)	(2,229,005)
Loss per share attributable to shareholders of the Company		
Basic loss per share	(33.47)	(23.21)
Diluted loss per share	-	-

Consolidated Statements of Comprehensive Income

(Thousands of yen)

	Fiscal year ended 31 December 2022 (1 Jan. to 31 Dec. 2022)	Fiscal year ended 31 December 2023 (1 Jan. to 31 Dec. 2023)
Net loss	(3,592,642)	(2,229,005)
Other comprehensive income		
Items that will not be reclassified subsequently to profit or loss		
Net change in financial instruments measured at fair value through other comprehensive income	(22,479)	(138,189)
Remeasurements of defined benefit plans	4,020	(3,908)
Total of items that will not be reclassified subsequently to profit or loss	(18,459)	(142,097)
Items that may be reclassified subsequently to profit or loss		
Exchange differences on translating foreign operations	250,689	1,084,757
Total items that may be reclassified subsequently to profit or loss	250,689	1,084,757
Other comprehensive income, net of tax	232,230	942,661
Comprehensive income	(3,360,412)	(1,286,345)
Comprehensive income attributable to:		
Shareholders of the Company	(3,255,858)	(1,286,345)
Non-controlling interests	(104,554)	-
Comprehensive income	(3,360,412)	(1,286,345)

(3) Condensed Consolidated Statements of Changes in Equity

FY2022 (1 January 2022 through 31 December 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	-	-	(3,488,088)	-	-	(3,488,088)	(104,554)	(3,592,642)
Other comprehensive income	-	-	-	-	232,230	232,230	-	232,230
Total comprehensive income	-	-	(3,488,088)	-	232,230	(3,255,858)	(104,554)	(3,360,412)
Share-based payment transaction	-	-	-	-	25,505	25,505	-	25,505
Change in interests in existing subsidiaries	-	(47,572)	-	-	-	(47,572)	(497,153)	(544,725)
Acquisition of treasury shares	-	-	-	-	-	-	-	-
Transfer from other components of equity to retained earnings	-	-	4,020	-	(4,020)	-	-	-
Total transactions with shareholders and others	-	(47,572)	4,020	-	21,485	(22,067)	(497,153)	(519,220)
Balance as of 31 Dec. 2022	5,286,015	7,146,652	5,501,550	(735,054)	552,839	17,752,001	-	17,752,001

FY2023 (1 January 2023 through 31 December 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	-	-	(2,229,005)	-	-	(2,229,005)	-	(2,229,005)
Other comprehensive income	-	-	-	-	942,661	942,661	-	942,661
Total comprehensive income	-	-	(2,229,005)	-	942,661	(1,286,345)	-	(1,286,345)
Share-based payment transaction	-	-	-	-	(27,226)	(27,226)	-	(27,226)
Change in interests in existing subsidiaries	-	-	-	-	-	-	-	-
Acquisition of treasury shares	-	(132,236)	-	(2,578,296)	-	(2,710,532)	-	(2,710,532)
Transfer from other components of equity to retained earnings	-	-	(3,908)	-	3,908	-	-	-
Total transactions with shareholders and others	-	(132,236)	(3,908)	(2,578,296)	(23,318)	(2,737,758)	-	(2,737,758)
Balance as of 31 Dec. 2023	5,286,015	7,014,416	3,268,637	(3,313,350)	1,472,182	13,727,899	-	13,727,899

(4) Condensed Consolidated Statements of Cash Flows

(Thousands of yen)

	Fiscal year ended 31 December 2022 (1 Jan. to 31 Dec. 2022)	Fiscal year ended 31 December 2023 (1 Jan. to 31 Dec. 2023)
Cash flows from operating activities		
Profit loss before tax	(3,529,057)	(2,379,922)
Impairment loss	44,209	155,998
Depreciation and amortisation	299,187	318,573
Financial expense (or income)	(58,564)	(445,136)
Net decrease (or increase) of trade and other receivables	103,572	334,047
Net increase (or decrease) of trade and other payables	222,474	(371,786)
Net increase/decrease of consumption taxes payable or consumption taxes refund receivable	111,386	38,505
Other	8,051	(78,110)
Subtotal	(2,798,742)	(2,427,830)
Interest and dividend income received	79,521	307,260
Interest expenses paid	(5,003)	(3,937)
Income taxes refunded (or paid)	22,742	(34,814)
Cash flows from operating activities	(2,701,482)	(2,159,321)
Cash flows from investing activities		
Purchase of property, plant and equipment	(50,648)	(21,318)
Purchase of intangible assets	(11,815)	(20,706)
Purchase of investment securities	(159,267)	(465,146)
Proceeds from transfer of business	-	52,537
Payment for lease and guarantee deposits	(40,951)	(111,552)
Proceeds from collection of lease and guarantee deposits	33,910	42,110
Payment for fulfilment of asset retirement obligations	(18,000)	(6,460)
Other	(15,188)	(1,374)
Cash flows from investing activities	(261,958)	(531,909)

	(Thousands of yen)	
	Fiscal year ended 31 December 2022 (1 Jan. to 31 Dec. 2022)	Fiscal year ended 31 December 2023 (1 Jan. to 31 Dec. 2023)
Cash flows from financing activities		
Repayments of lease obligations	(384,379)	(370,641)
Purchases of treasury shares	-	(2,714,089)
Acquisition of interests in subsidiaries from non-controlling shareholders	(592,109)	-
Cash flows from financing activities	(976,489)	(3,084,730)
Net decrease in cash and cash equivalents	(3,939,929)	(5,775,960)
Cash and cash equivalents at beginning of period	20,410,037	16,824,230
Effect of exchange rate change on cash and cash equivalents	354,122	975,215
Cash and cash equivalents at end of period	16,824,230	12,023,485

(5) Notes on the Going Concern Assumption

Not applicable

(6) Notes to Consolidated Financial Statements

1. Reporting entity

Cookpad Inc. (the “Company”) is a company located in Japan. These consolidated financial statements contain business results of the Company and its subsidiaries (collectively the “Group”) for the fiscal year ended 31 December 2023 (“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 Consolidated Financial Statements (Ordinance of the Ministry of Finance No. 28 of 1976). Therefore, the Company’s consolidated financial statements are prepared in conformity with IFRS pursuant to the provisions of Article 93 of the ordinance.

(2) Basis of measurement

The Group’s 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 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 consolidated financial statements are the same as the ones applied for the previous fiscal year, except for the changes stated below.

(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 FY2023.

4. Use of significant accounting estimates and judgments

The preparation of 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 the 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 consolidated financial statements for FY2023 as it did 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. Earnings per share

The calculation of basic loss per share and diluted loss per share is based on the profits and losses shown below.

	Fiscal year ended 31 December 2022 (1 Jan. to 31 Dec. 2022)	Fiscal year ended 31 December 2023 (1 Jan. to 31 Dec. 2023)
Loss attributable to shareholders of the Company (thousand yen)	(3,488,088)	(2,229,005)
Adjustment (thousand yen)	-	-
Loss used for calculation of diluted loss per share (thousand yen)	(3,488,088)	(2,229,005)
Average number of shares outstanding	104,210,339	95,998,643
Increase in number of ordinary shares		
Share subscription warrants	-	-
Average number of shares outstanding after dilution	104,210,339	95,998,643
Basic loss per share (yen)	(33.47)	(23.21)
Diluted loss per share (yen)	-	-

7. Subsequent events

Not applicable.