



SUNNY SIDE UP GROUP Inc.

FY2023 1Q Consolidated Financial Results
for the Three Months Ended September 30, 2023

FY2023 1Q Consolidated Financial Results

for the Three Months from July 1, 2023 to September 30, 2023

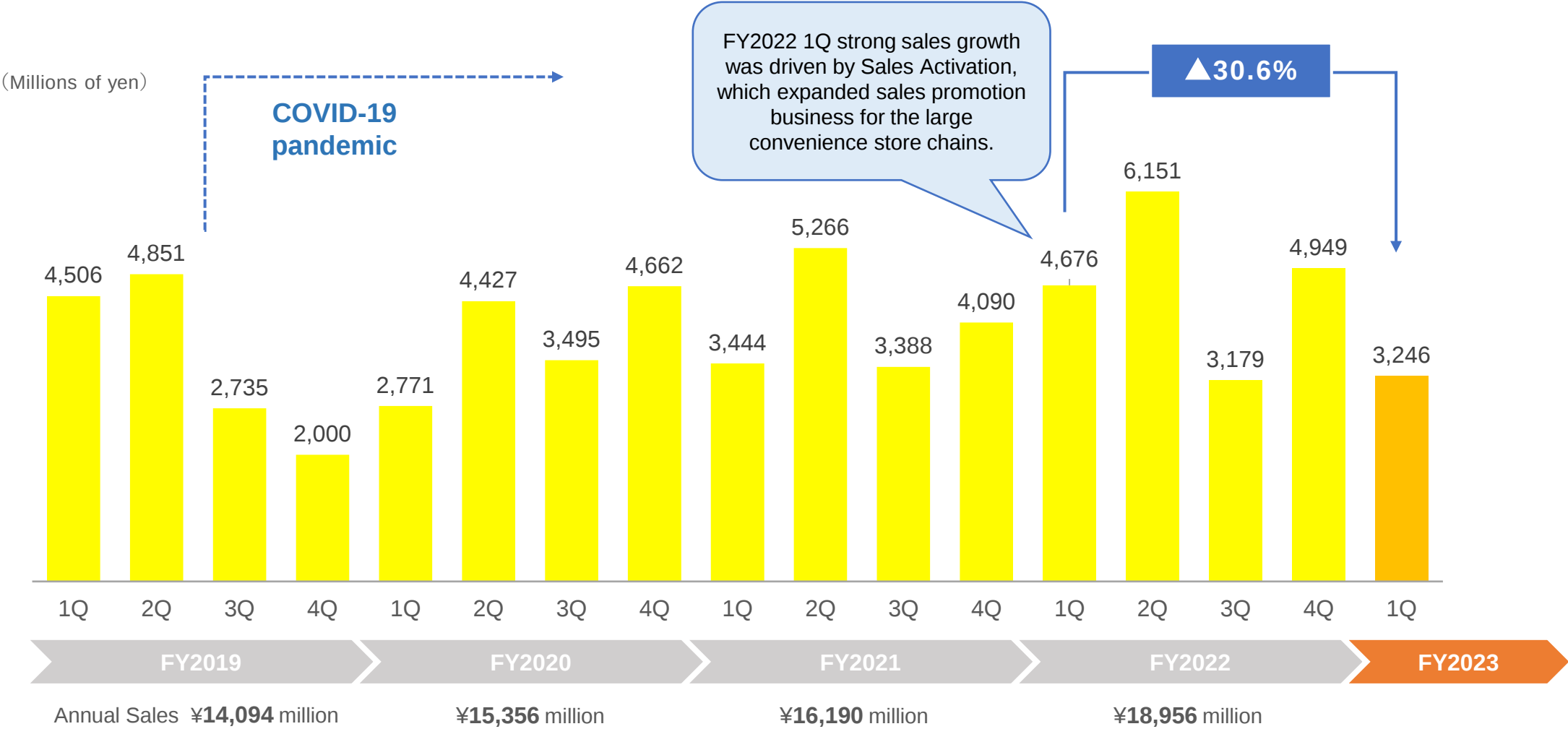
(Millions of Yen)

	FY2021 1Q	FY2022 1Q	FY2023 1Q	Change YonY	FY2023 Full-year Forecasts (disclosed on August 14, 2023)	Rate of Progression
Net Sales	3,444	4,676	3,246	▲30.6%	21,000	15.5%
Operating Profit (Operating Profit Margin)	140 (4.1%)	361 (7.7%)	278 (8.6%)	▲23.0 % (+0.8pt)	1,560 (7.4%)	17.8%
Ordinary Profit	213	404	286	▲29.0%	1,540	18.6%
Profit Attributable to Owners of Parent	127	215	96	▲55.0%	930	10.4%
Earnings per Share (¥)	8.48	14.41	6.50	—	62.35	—

Consolidated Balance Sheet

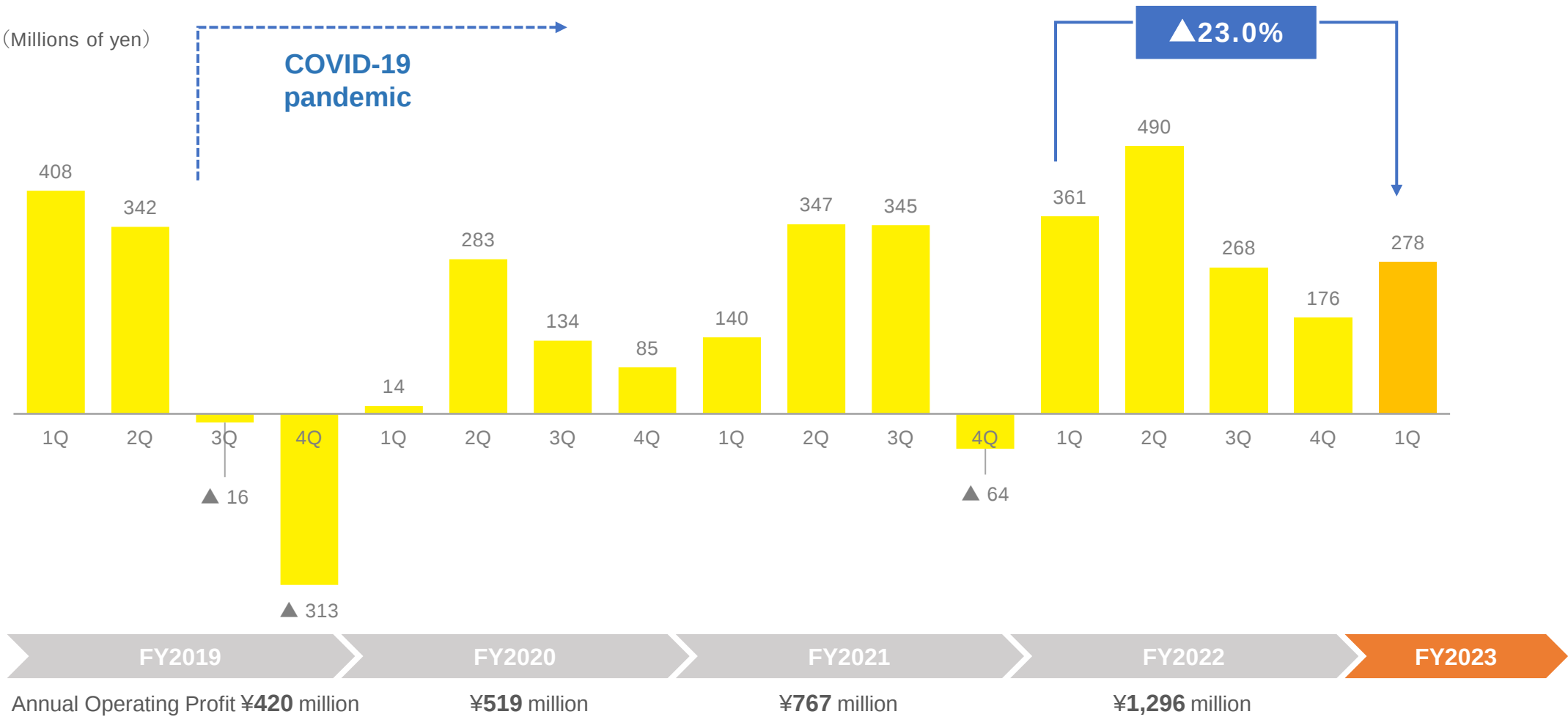
	As of September 30, 2022		As of June 30, 2023		As of September 30, 2023		
	Millions of yen	Percentage	Millions of yen	Percentage	Millions of yen	Percentage	Differences from the previous fiscal year
Current Assets	6,680	80.1%	6,622	77.0%	5,661	76.4%	▲960
Cash and deposits	2,446	29.3%	3,089	35.9%	2,216	29.9%	▲873
Account receivable –trade	3,047	36.5%	2,620	30.5%	1,846	24.9%	▲773
Costs on service contracts in progress	617	7.4%	551	6.4%	919	12.4%	367
Other	568	6.8%	360	4.2%	678	9.2%	318
Non-current Assets	1,664	19.9%	1,972	23.0%	1,749	23.6%	▲223
Total Assets	8,344	100.0%	8,595	100.0%	7,411	100.0%	▲1,183
Total Liabilities	5,507	66.0%	4,867	56.6%	3,872	52.2%	▲995
Account payable-trade	1,443	17.3%	1,989	23.1%	1,567	21.1%	▲421
Debts	2,643	31.7%	1,218	14.2%	1,069	14.4%	▲148
Other	1,420	17.0%	1,659	19.3%	1,235	16.7%	▲424
Total Net assets	2,837	34.0%	3,728	43.4%	3,539	47.8%	▲188
Total Liabilities and Net Assets	8,344	100.0%	8,595	100.0%	7,411	100.0%	▲1,183

Quarterly Sales



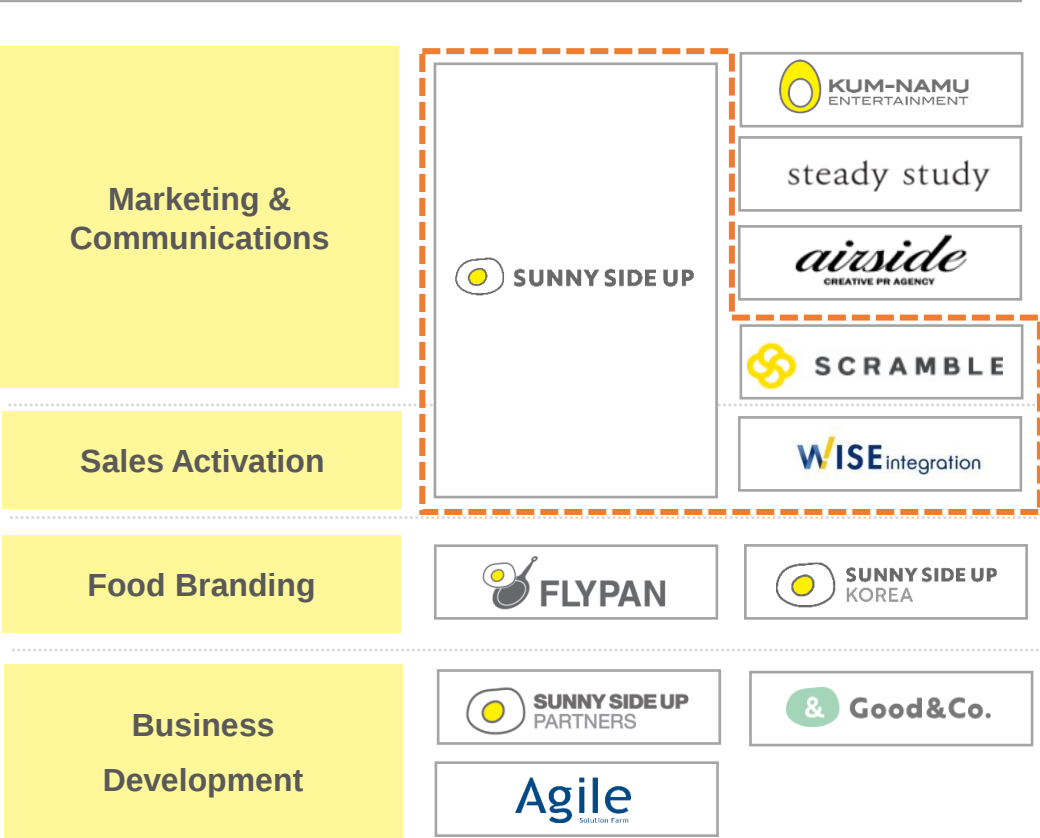
Note: The Company has applied the “Accounting Standard for Revenue Recognition” (ASBJ Statement No.29, March 31, 2020) and relevant ASBJ regulations from the beginning of the first three months of FY2021.

Quarterly Operating Profit

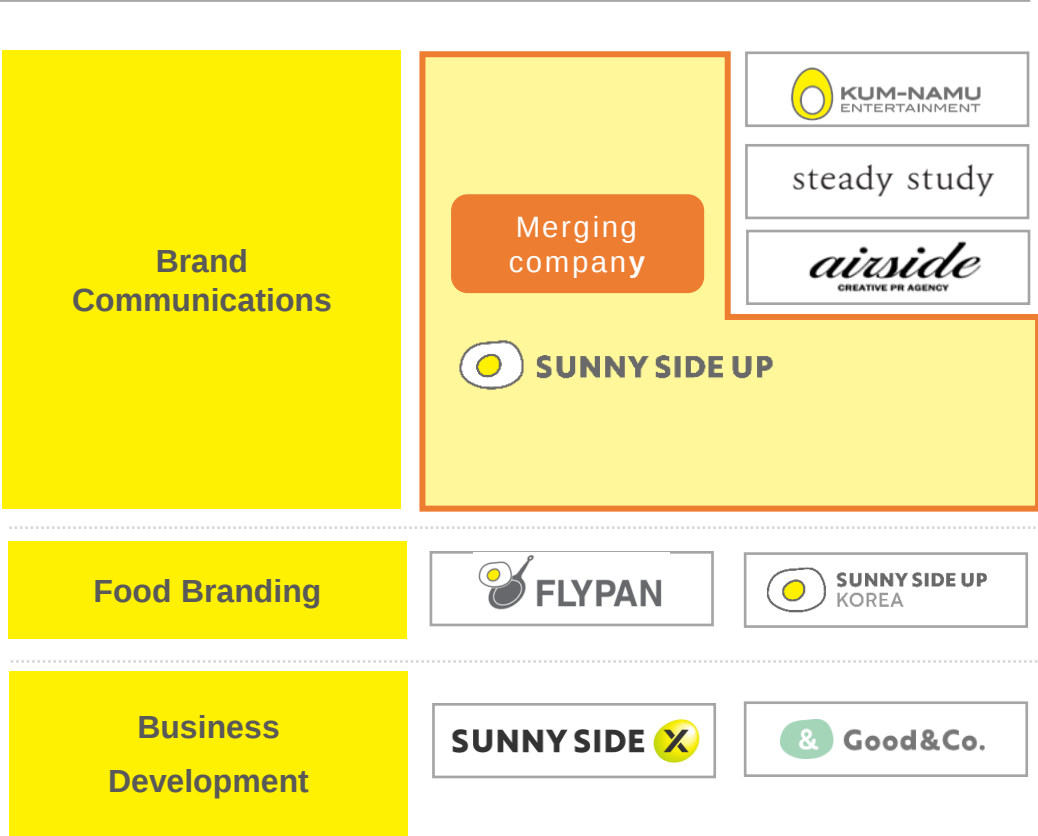


Change in Business Segments

Business Segments (FY2022)



New Business Segments (FY2023)



- Notes:
1. Wise Integration Co., Ltd. and Scramble, Inc. were merged into Sunny Side Up, Inc.
 2. In July 2023, the company sold all its stocks of Agile Co., Ltd.
 3. In July 2023, Sunny Side Up Partners, Co., Ltd. changed its company name to Sunny Side X, Inc.

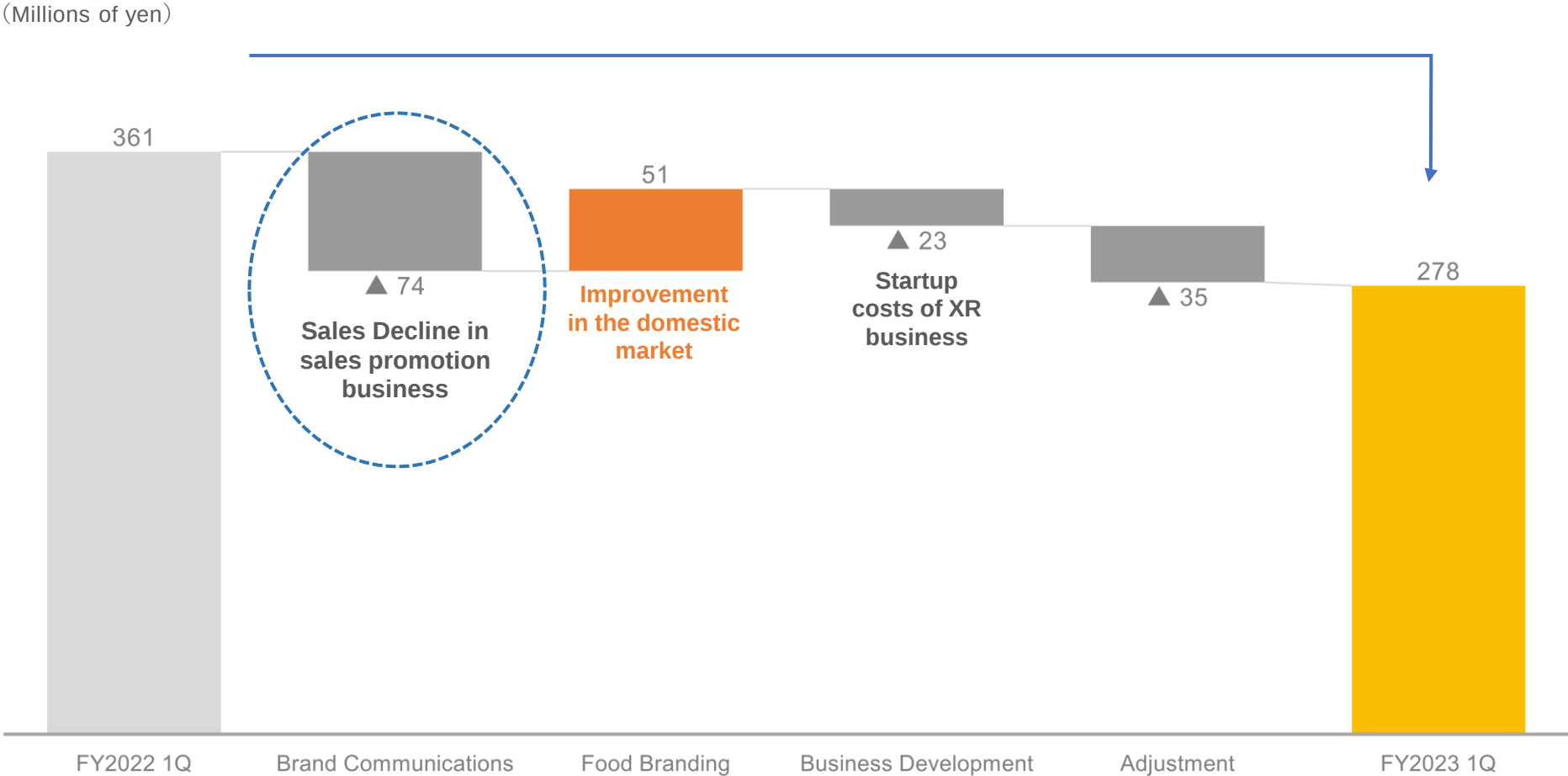
FY2023 1Q Performance by Segment

(Millions of yen)

	Net Sales				Operating Profit (Operating profit margin)			
	FY2021 1Q	FY2022 1Q	FY2023 1Q	Change YonY	FY2021 1Q	FY2022 1Q	FY2023 1Q	Change YonY
Brand Communications	2,713*	3,878	2,360	▲39.1%	539* (19.9%)	566 (14.6%)	491 (20.8%)	▲13.2%
Food Branding	526	634	838	+32.1%	▲110	▲2	49 (5.9%)	Turned to profitability
Business Development	204	162	47	▲71.1%	▲43	27 (16.8%)	3 (7.5%)	▲87.0%
Adjustment	—	—	—	—	▲245	▲230	▲266	—

Notes: 1. FY2021 1Q results of Brand Communications (*) are total values of Marketing & Communications and Sales Activations, former business segments.
2. FY2022 1Q results are based on new business segments.

Change in 1Q Operating Profit



Brand Communications Quarterly Trends

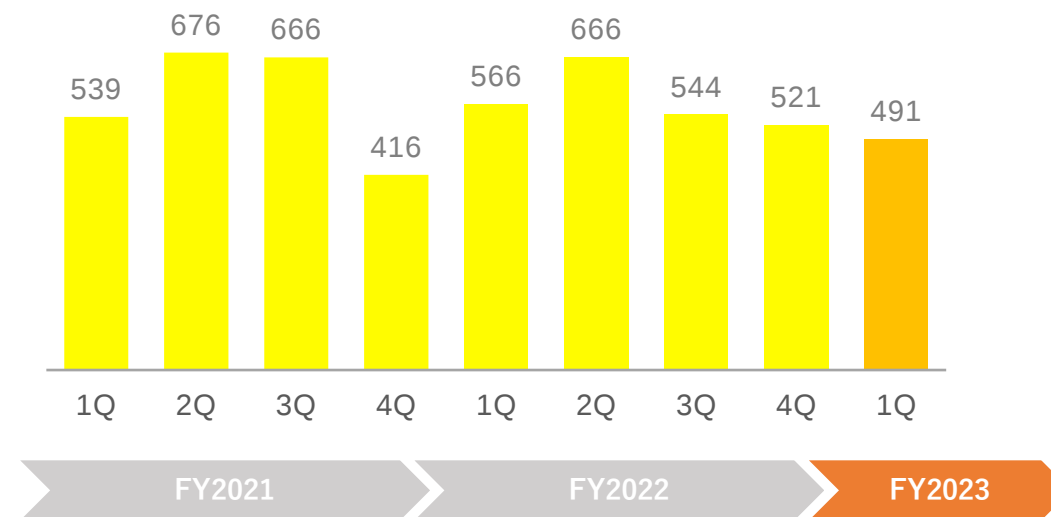
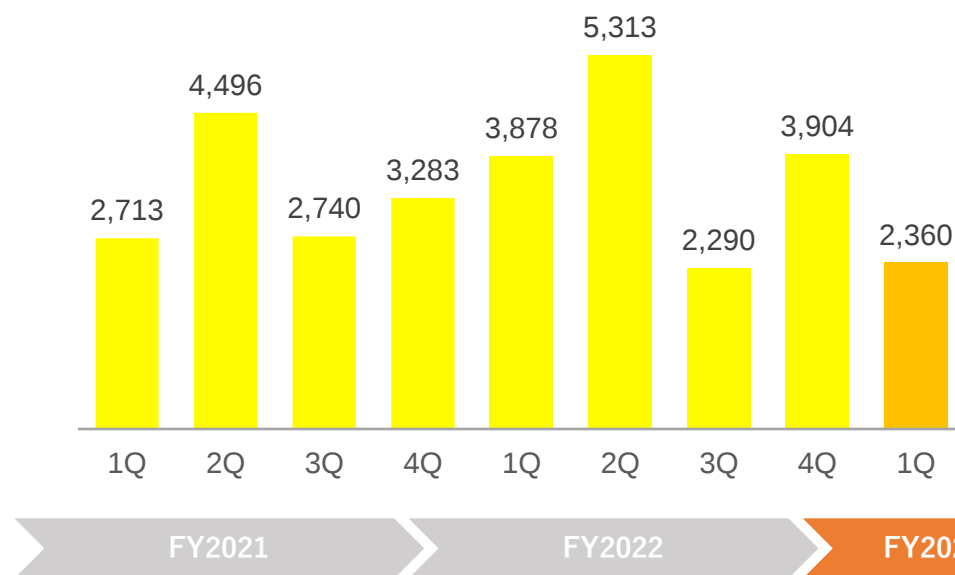
1Q Net Sales

¥ **2,360** million
(Change YoY ▲39.1%)

1Q Operating Profit

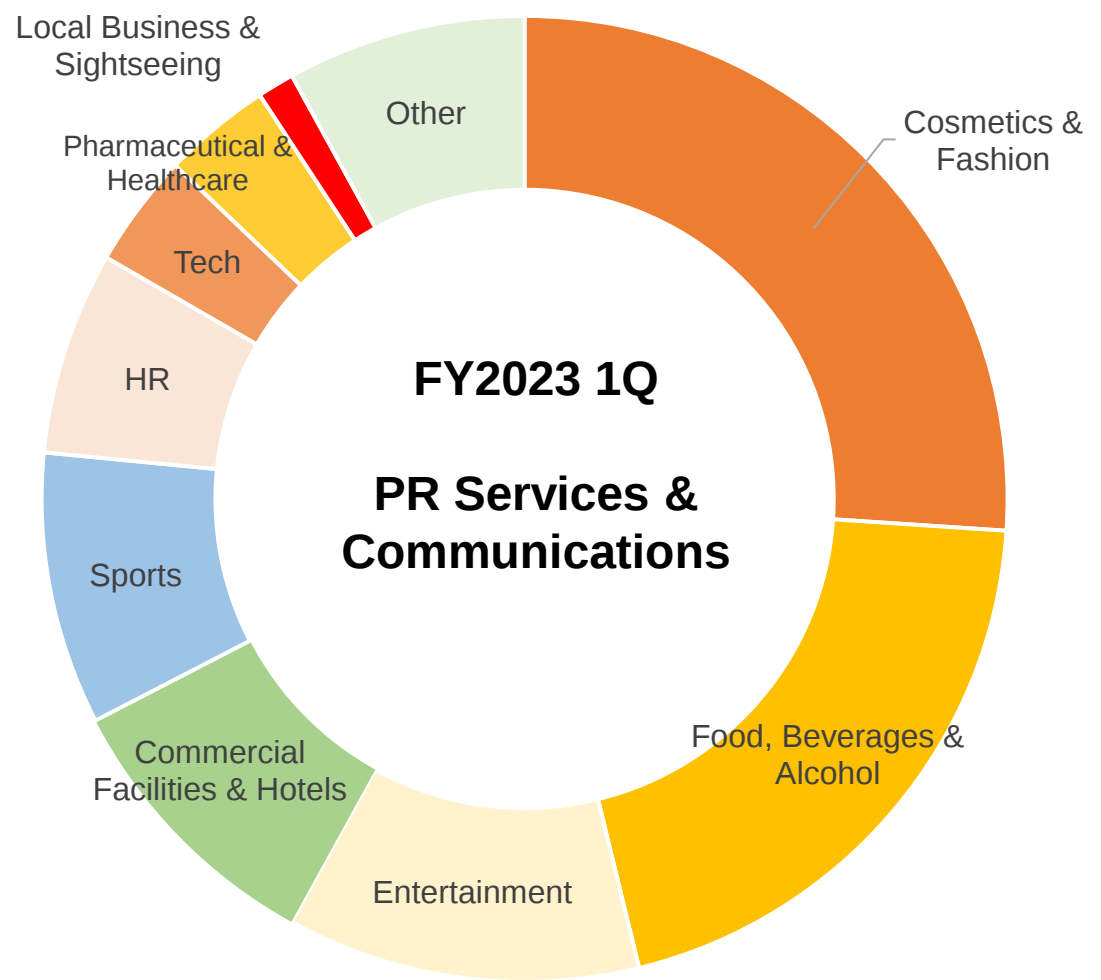
¥ **491** million
(Change YoY ▲13.2%)

(Millions of yen) Reference Value

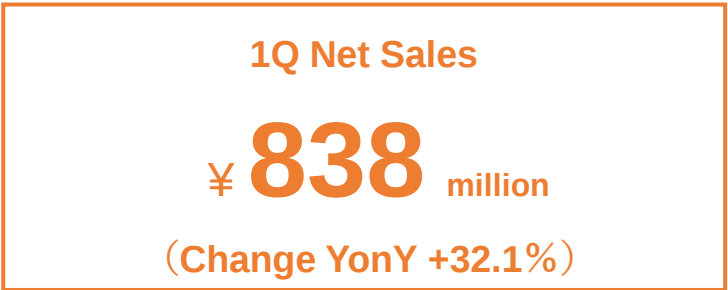


- Notes: 1. The results above are total values of Marketing & Communications and Sales Activations, former business segments
2. FY2022 1Q results are based on new business segments.

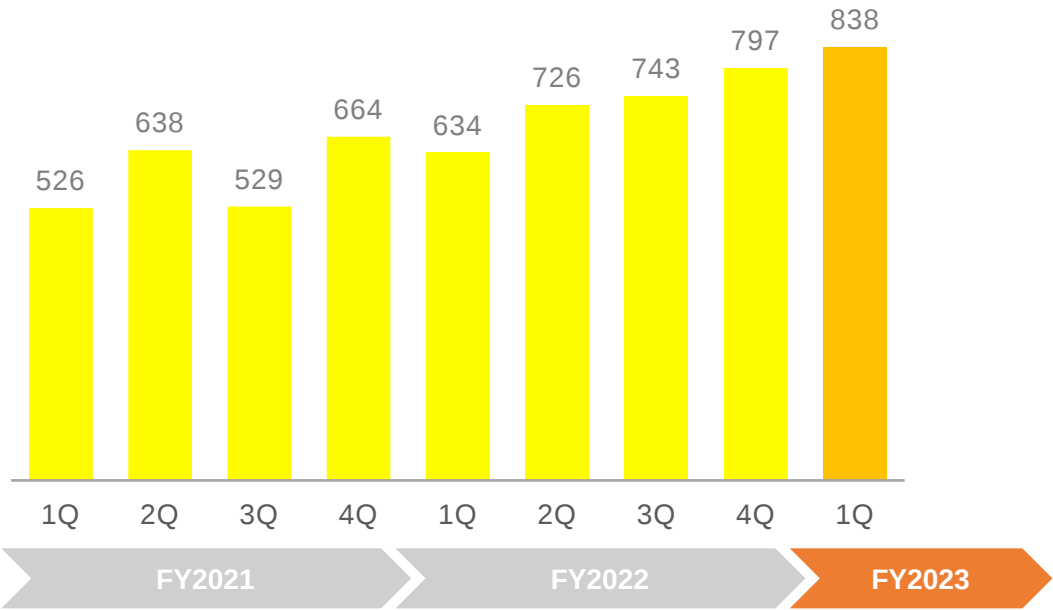
Brand Communications Sales by Industry



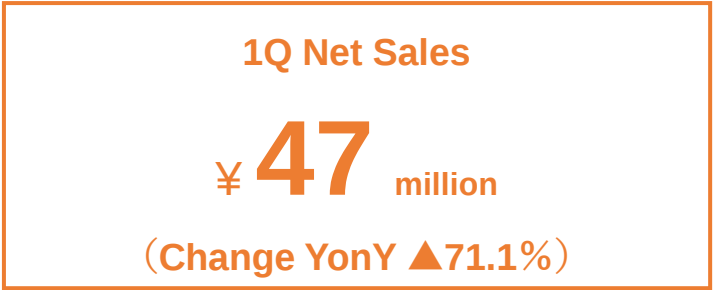
Food Branding Quarterly Trends



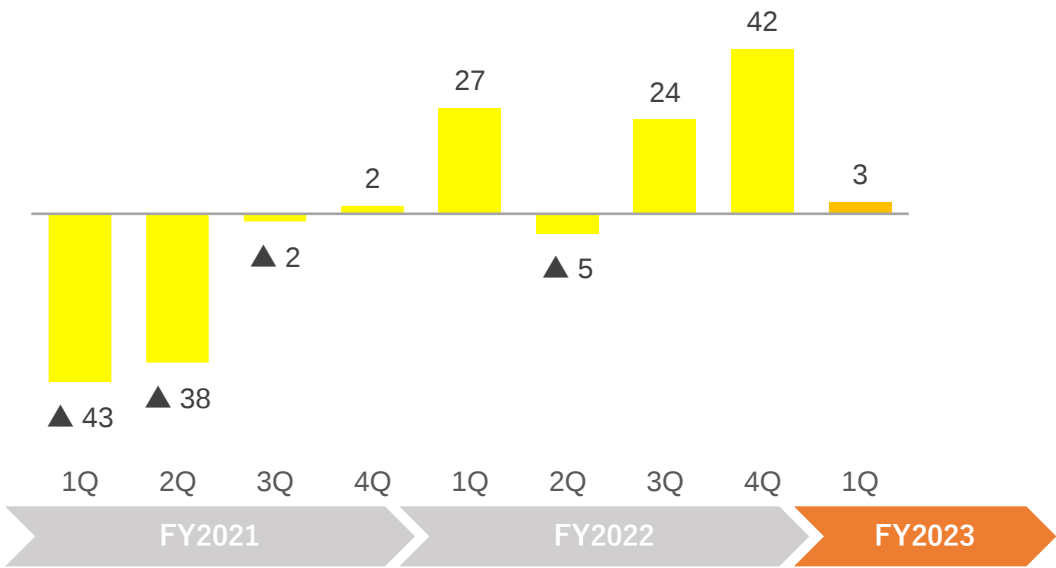
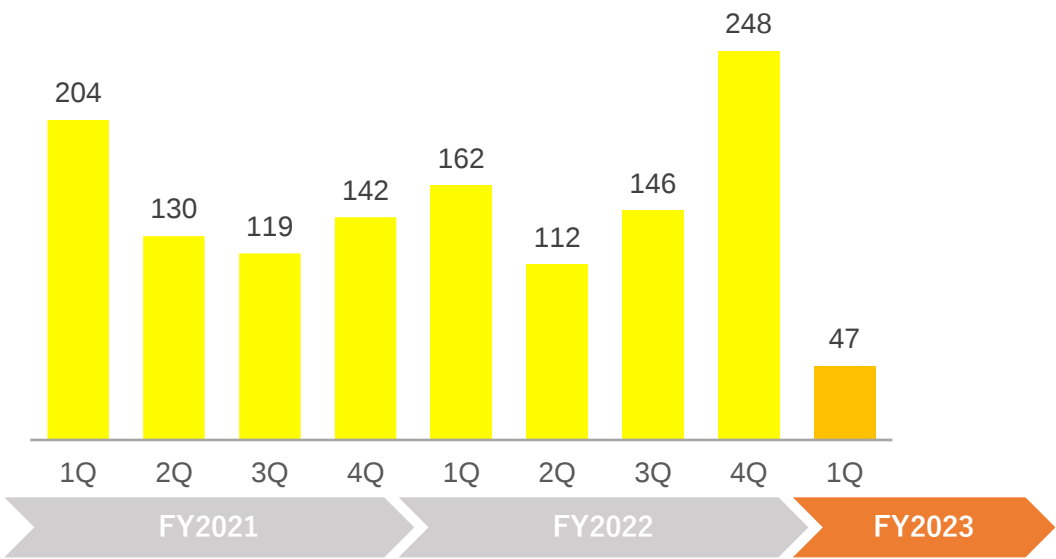
(Millions of yen)



Business Development Quarterly Trends



(Millions of yen)



FY2023 Full-year Forecasts

for the Twelve Months from July 1, 2023 to June 30, 2024

(Millions of yen)

	FY2022 Full-year Results	FY2023 Full-year Forecasts	Changes YonY
Net Sales	18,956	21,000	+10.8%
Operating Profit (Operating Profit Margin)	1,296 (6.8%)	1,560 (7.4%)	+20.3% (+ 0.6pt)
Recurring Profit	1,335	1,540	+15.3%
Profit Attributable to Owners of Parent	884	930	+5.1%
Earning per Share (¥)	59.28	62.35	—
Dividend per Share (¥) (Interim dividend per share)	15 (—)	20 (5)	—

11-year Consolidated Financial Highlights

(Millions of yen)

	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022
Sales and Profit											
Sales	13,018	12,443	11,940	13,393	13,891	13,537	14,627	14,094	15,356	16,190	18,956
Operating Profit	438	51	-88	447	387	355	610	420	519	767	1,296
Ordinary Profit	558	153	83	236	494	365	718	275	666	1,284	1,335
Profit attribute to owners of parent	353	-7	-330	-216	304	380	493	-210	298	581	884
Cash Flows											
Cash Flows from Operating Activities	822	-377	37	24	352	757	529	549	339	1,185	846
Cash flows from Investing Activities	-376	-85	-91	-159	-325	738	-336	-685	-311	-274	-274
Free Cash Flows	446	-462	-54	-135	27	1,495	193	-135	27	910	571
Cash Flows from Financing Activities	-491	551	-90	212	-92	-794	-338	705	423	-294	-744
Cash and Deposits	875	996	902	1,045	995	1,696	1,559	2,135	2,587	3,214	3,074
Consolidated Financial Position											
Total assets	4,751	5,613	5,291	5,773	5,706	5,327	5,788	5,462	7,163	7,548	8,595
Net assets	1,949	1,906	1,423	1,402	1,555	1,888	2,397	2,087	2,340	2,820	3,728
Debts	1,228	1,676	1,684	1,833	1,716	1,020	720	1,506	1,915	1,722	1,218
CAPEX and Depreciations											
Capital Expenditures	351	416	105	143	291	236	256	28	164	48	141
Depreciations (CF)	105	112	170	149	127	141	161	143	106	94	85

Note: The Company has applied the “Accounting Standard for Revenue Recognition” (ASBJ Statement No.29, March 31, 2020) and relevant ASBJ regulations from the beginning of the first three months of FY2021.

11-year Consolidated Financial Highlights

		FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2021	FY2022
Share Information												
Total number of issued shares	Share	3,534,400	3,542,400	3,611,200	3,697,600	7,417,200	7,434,400	7,569,800	15,191,600	15,191,600	15,191,600	15,191,600
Dividends per share	¥	20	20	10	30	10	10	10	2	6	12	15
Payout ratio	%	20.0%	-	-	-	24.1%	19.4%	15.2%	-	30.3%	31.1%	25.3%
Performance per Share												
EPS	¥	102.54	-2.18	-93.76	-60.43	41.57	25.85	33.42	-13.97	19.83	38.58	59.28
BPS	¥	515.76	501.30	371.66	343.55	198.20	120.72	153.13	135.17	151.30	178.92	238.78
Financial Indicators												
Operating profit ratio	%	3.4%	0.4%	-0.7%	3.3%	2.8%	2.6%	4.2%	3.0%	3.4%	4.7%	6.8%
ROE	%	20.5%	-	-	-	22.4%	23.5%	24.2%	-	16.1%	23.4%	28.3%
ROA	%	11.6%	3.0%	1.5%	4.3%	8.6%	6.6%	12.9%	4.9%	11.4%	17.5%	16.5%
Capital Adequacy ratio	%	38.4%	31.6%	25.1%	21.8%	25.5%	33.4%	39.7%	37.3%	31.8%	35.7%	41.4%
D/E Ratio	Time	0.7	0.9	1.3	1.5	1.2	0.6	0.3	0.7	0.8	0.6	0.3
Employees												
Number of employees	Person	197	186	196	260	273	358	382	354	334	376	347

Notes: 1. The Company has applied the “Accounting Standard for Revenue Recognition” (ASBJ Statement No.29, March 31, 2020) and relevant ASBJ regulations from the beginning of the first three months of FY2021.

2. On May 30, 2017, the Company conducted a 2-for-1 common stock split.

3. On July 11, 2019, the Company conducted a 2-for-1 common stock split.

11-year Performance by Segment

(Millions of yen)

	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY'2019	FY2020	FY2021	FY2022		
Net Sales	Business Segments until FY2019								Retrospectiv e application	Business Segments until FY2022			
Communications①	3,019	5,081	5,789	5,429	5,715	6,194	7,434	8,158	5,818	9,119	7,744	8,207	Marketing & Communications①
Sports②	960	923	804	1,068	1,302	1,278	1,366	1,080					
SP・MD③	5,960	3,930	2,313	3,531	2,588	1,451	1,234	1,389	4,984	3,644	5,489	7,178	Sales Activation②
“bills”	2,252	2,385	2,930	3,120	4,100	4,421	4,241	3,259	3,259	2,355	2,359	2,901	Food Branding
Business Development	826	121	102	244	184	191	351	205	31	236	596	669	Business Development
Total	13,018	12,443	11,940	13,393	13,891	13,537	14,627	14,094	14,094	15,356	16,190	18,956	Total
【Total】 ①+②+③	9,940	9,935	8,907	10,029	9,606	8,924	10,035	10,629	10,803	12,764	13,234	15,385	【Total】 ①+②
Operating Profit	Business Segments until FY2019								Retrospectiv e application	Business Segments until FY2022			
Communications①	529	550	694	666	595	715	996	1,162	968	1,284	1,954	1,917	Marketing & Communications①
Sports②	99	76	73	140	172	178	237	288					
SP・MD③	63	-111	-110	294	34	-150	2	2	514	310	344	380	Sales Activation②
“bills”	161	-102	-155	28	126	166	66	-210	-210	-293	-366	76	Food Branding
Business Development	23	136	-72	-71	-25	40	59	-4	-40	110	-82	88	Business Development
Total	-439	-499	-516	-611	-515	-594	-753	-817	-810	-892	-1,082	-1,166	Total
【Total】 ①+②+③	438	51	-88	447	387	355	610	420	420	519	767	1,296	【Total】 ①+②
Communications①	692	516	656	1,101	802	743	1,237	1,452	1,482	1,595	2,299	2,297	Sales Activation②

Note: The Company has applied the “Accounting Standard for Revenue Recognition” (ASBJ Statement No.29, March 31, 2020) and relevant ASBJ regulations from the beginning of the first three months of FY2021.

CHANGE THE WORLD.

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The forward-looking statements, including earning forecasts, contained in these materials are based on information currently available to the Company and on certain assumptions deemed to be reasonable. Consequently, any statements herein do not constitute assurances regarding actual results by the Company. Actual business and other results may differ substantially due to various factors.

Corporate Analysis and Administrative Group, Business Administrative Dept.

SUNNY SIDE UP GROUP Inc.

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