



SUNNY SIDE UP GROUP Inc.

FY2023 2Q Consolidated Financial Results

for the Six Months Ended December 31, 2023

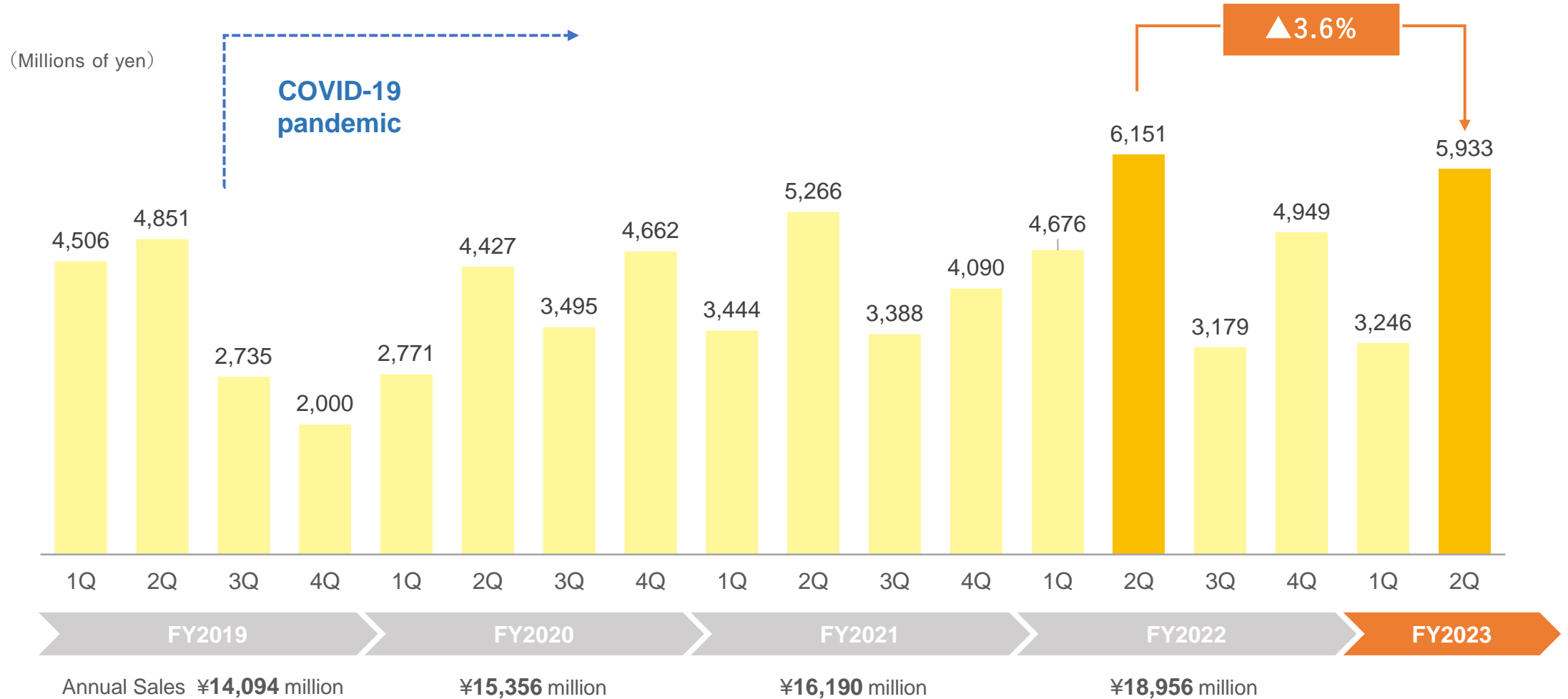
FY2023 2Q Consolidated Financial Results

for the Six Months from July 1, 2023 to December 31, 2023

(Millions of Yen)

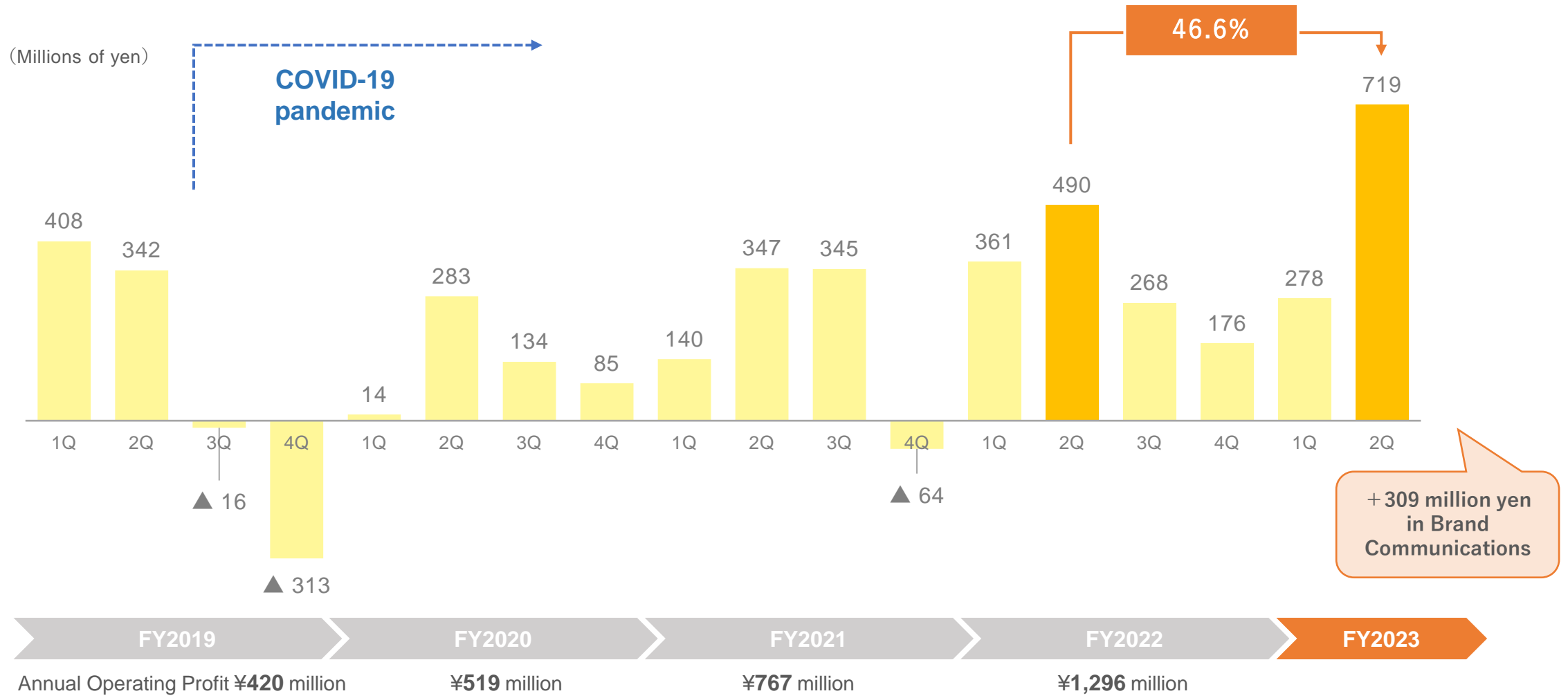
	FY2021 2Q	FY2022 2Q	FY2023 2Q	Change YoY	FY2023 Full-year Forecasts (disclosed on August 14, 2023)	Rate of Progression
Net Sales	8,710	10,828	9,179	▲15.2%	21,000	43.7%
Operating Profit (Operating Profit Margin)	487 (5.6%)	851 (7.9%)	997 (10.9%)	+17.1% (+3.0pt)	1,560 (7.4%)	64.0%
Ordinary Profit	899	891	1,004	+12.7%	1,540	65.2%
Profit Attributable to Owners of Parent	528	520	601	+15.5%	930	64.6%
Earnings per Share (¥)	35.09	34.86	40.29	—	62.35	—

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

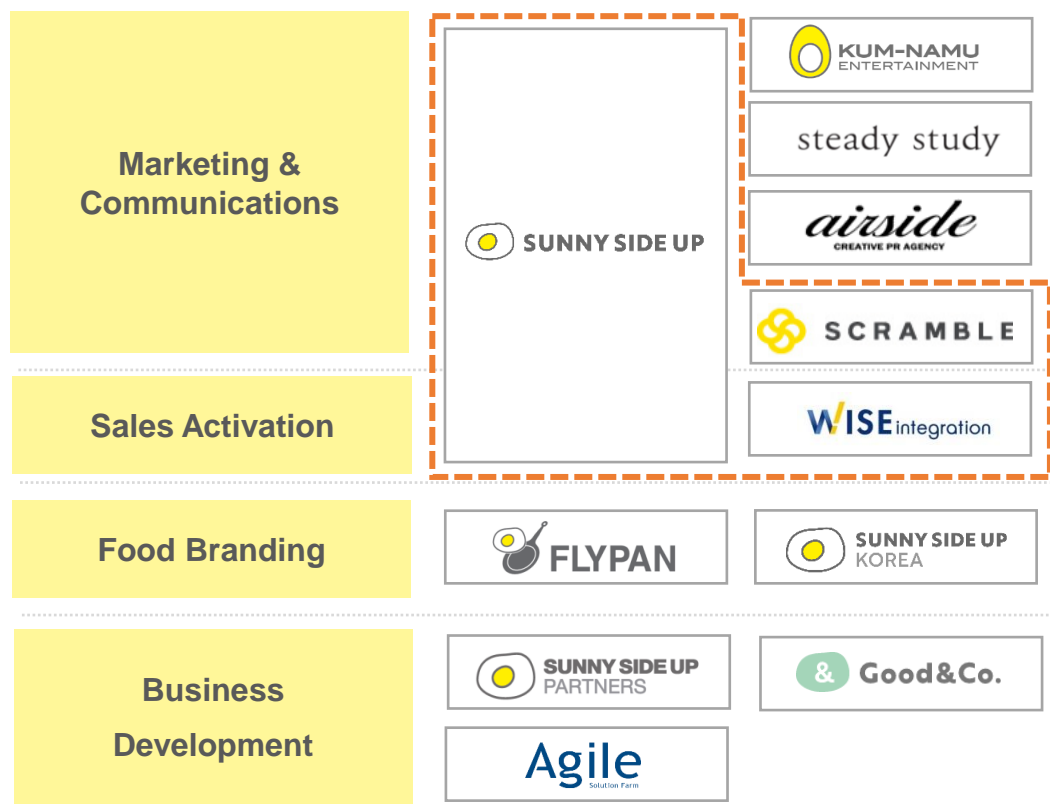


Consolidated Balance Sheet

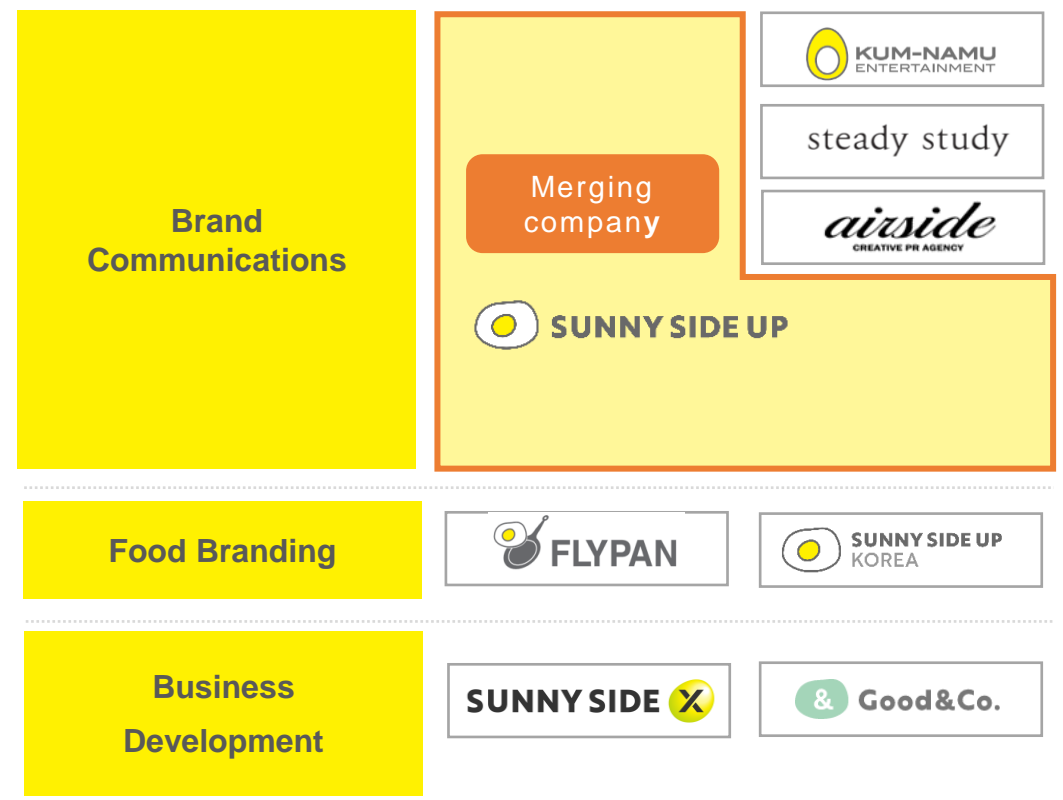
	As of December 31, 2022		As of June 30, 2023		As of December 31, 2023		
	Millions of yen	Percentage	Millions of yen	Percentage	Millions of yen	Percentage	Differences from the previous fiscal year
Current Assets	9,198	84.5%	6,622	77.0%	8,133	82.0%	1,510
Cash and deposits	3,488	32.1%	3,089	35.9%	2,418	24.4%	▲ 671
Account receivable –trade	4,139	38.0%	2,620	30.5%	4,328	43.6%	1,707
Costs on service contracts in progress	481	4.4%	551	6.4%	893	9.0%	341
Other	1,088	10.0%	360	4.2%	492	5.0%	132
Non-current Assets	1,684	15.5%	1,972	23.0%	1,783	18.0%	▲ 189
Total Assets	10,882	100.0%	8,595	100.0%	9,916	100.0%	1,321
Total Liabilities	7,763	71.3%	4,867	56.6%	5,891	59.4%	1,024
Account payable-trade	2,777	25.5%	1,989	23.1%	3,515	35.4%	1,526
Debts	2,706	24.9%	1,218	14.2%	992	10.0%	▲ 226
Other	2,279	20.9%	1,659	19.3%	1,384	14.0%	▲ 274
Total Net assets	3,119	28.7%	3,728	43.4%	4,024	40.6%	296
Total Liabilities and Net Assets	10,882	100.0%	8,595	100.0%	9,916	100.0%	1,321

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.

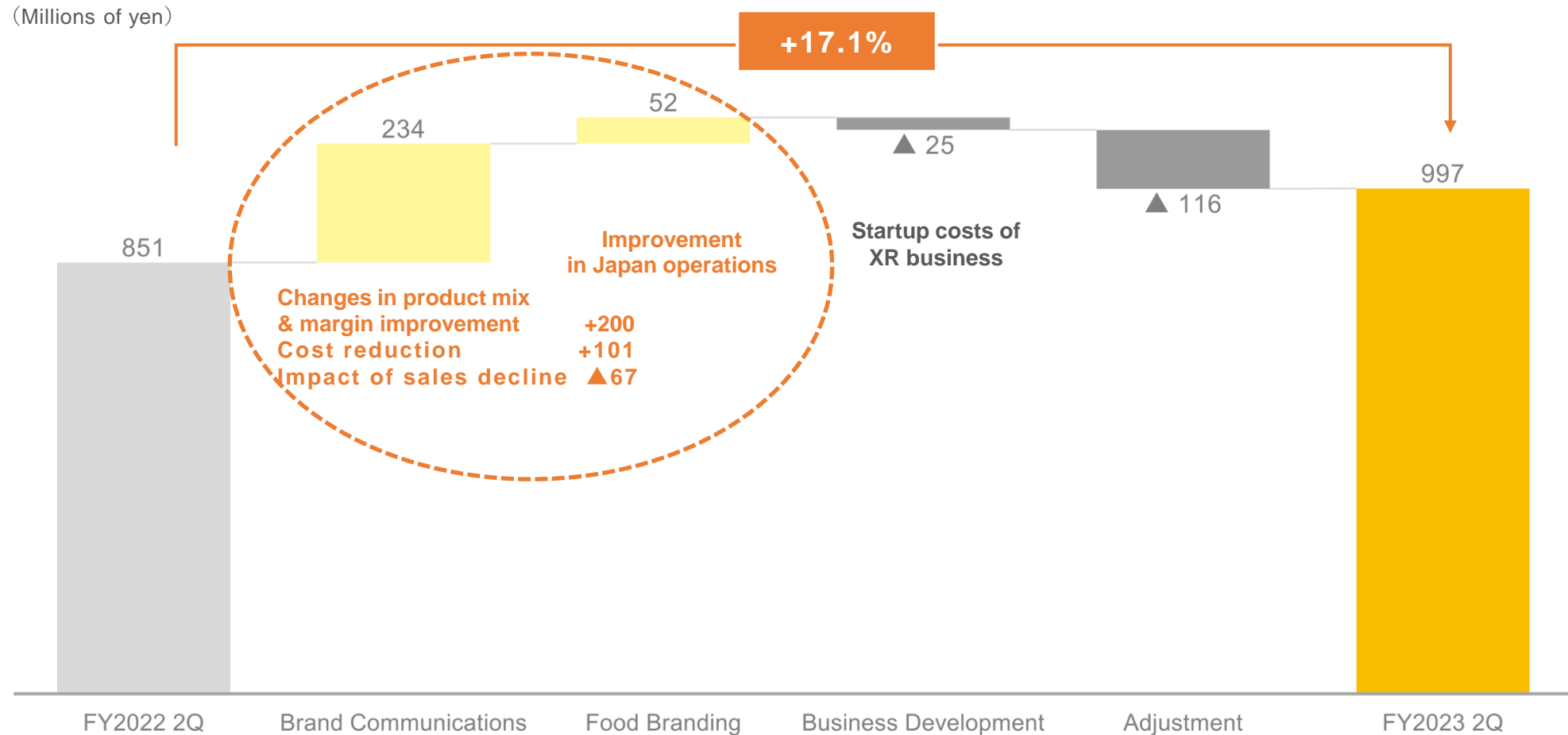
FY2023 2Q Performance by Segment

(Millions of yen)

	Net Sales				Operating Profit (Operating profit margin)			
	FY2021 2Q	FY2022 2Q	FY2023 2Q	Change YoY	FY2021 2Q	FY2022 2Q	FY2023 2Q	Change YoY
Brand Communications	7,210*	9,191	7,444	▲19.0%	1,216* (16.9%)	1,228 (13.4%)	1,463 (19.7%)	+ 19.1%
Food Branding	1,165	1,361	1,648	+21.1%	▲160	19 (1.4%)	72 (4.4%)	× 3.7times
Business Development	335	275	86	▲68.4%	▲82	22 (8.0%)	▲3	—
Adjustment	—	—	—	—	▲485	▲418	▲534	—

Notes: 1. FY2021 2Q results of Brand Communications (*) are total values of Marketing & Communications and Sales Activations, former business segments.
2. FY2022 2Q and FY2023 2Q results are based on new business segments.

Change in 2Q Operating Profit



Brand Communications Quarterly Trends

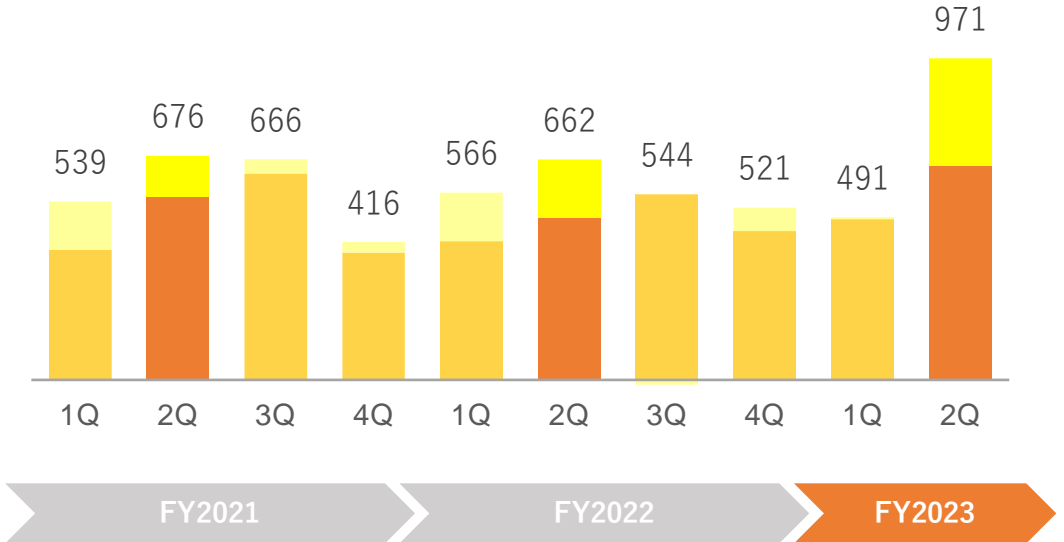
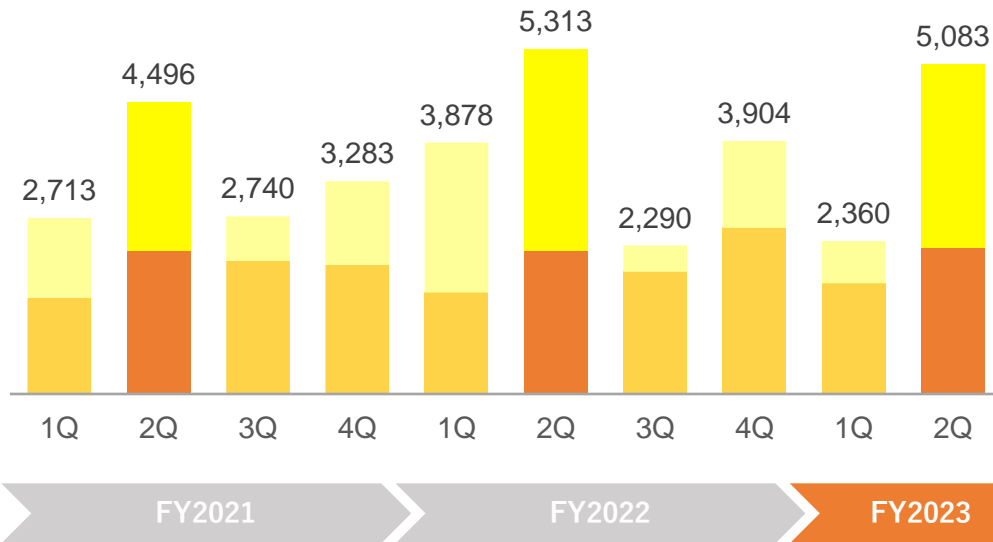
2Q Net Sales

¥ **5,083** million / YTD ¥ **7,444** million

2Q Operating Profit

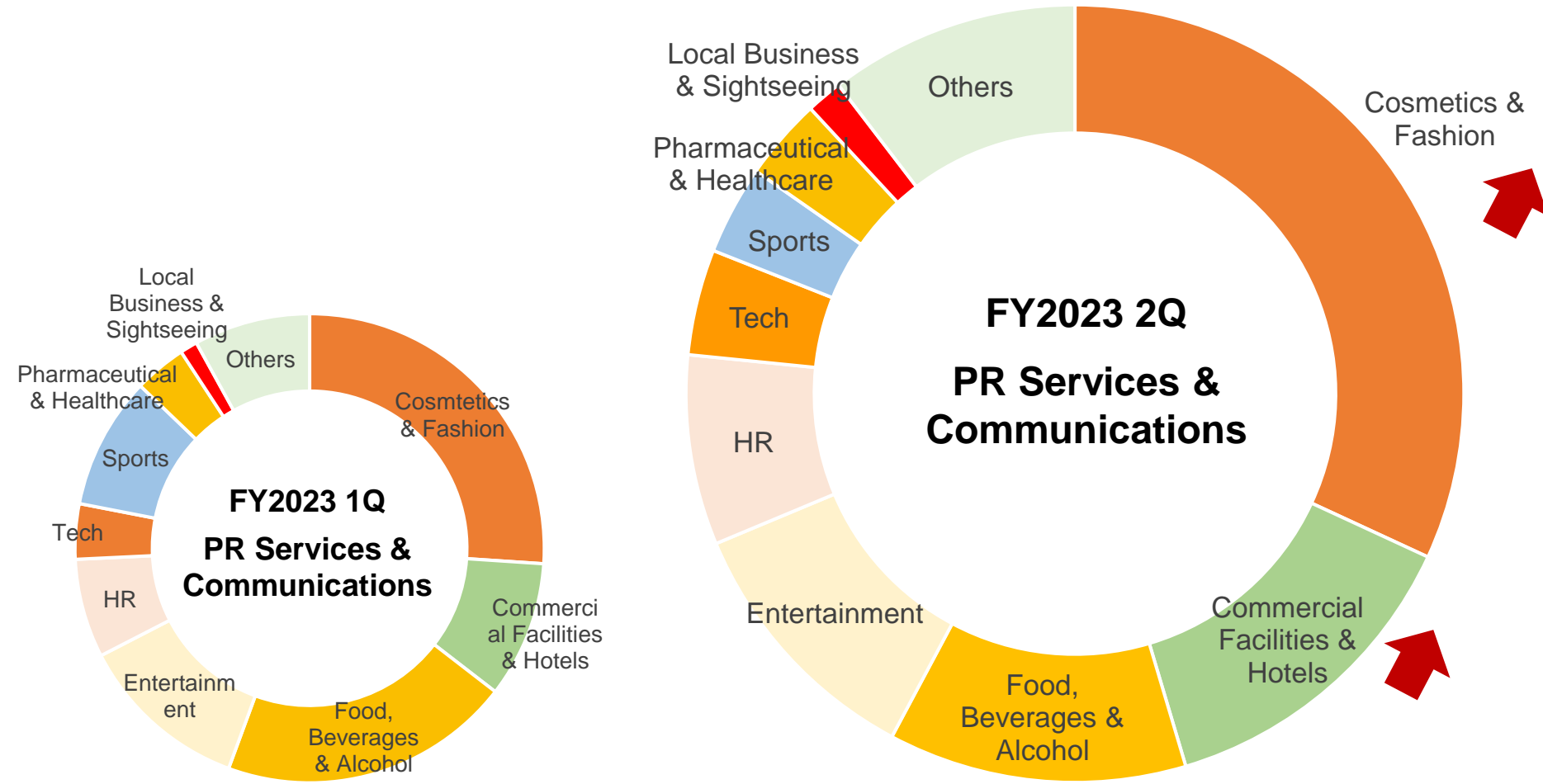
¥ **971** million / YTD ¥ **1,463** million

(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 & 2Q and FY2023 1Q & 2Q results are based on new business segments.

Brand Communications Sales by Industry



Food Branding Quarterly Trends

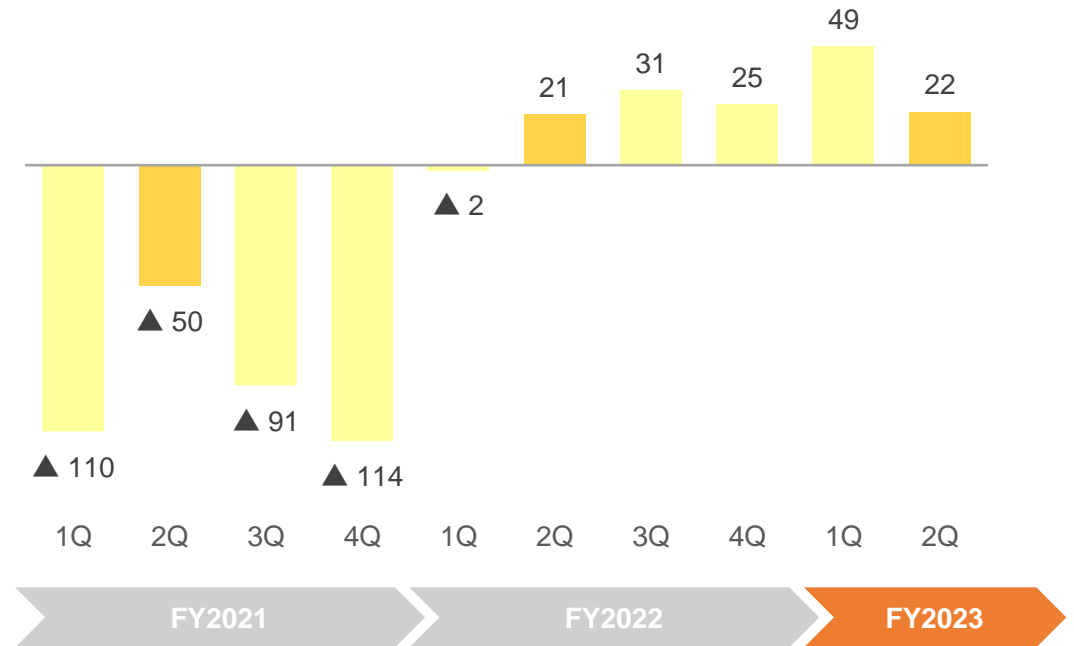
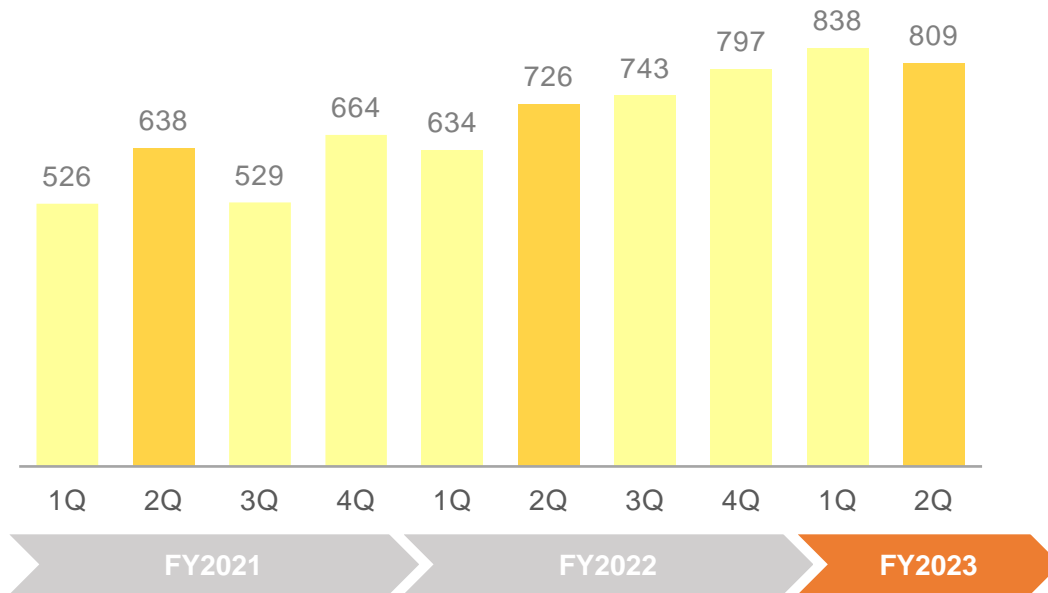
2Q Net Sales

¥ **809** million / YTD ¥ **1,648** million

2Q Operating Profit

¥ **22** million / YTD ¥ **72** million

(Millions of yen)



Business Development Quarterly Trends

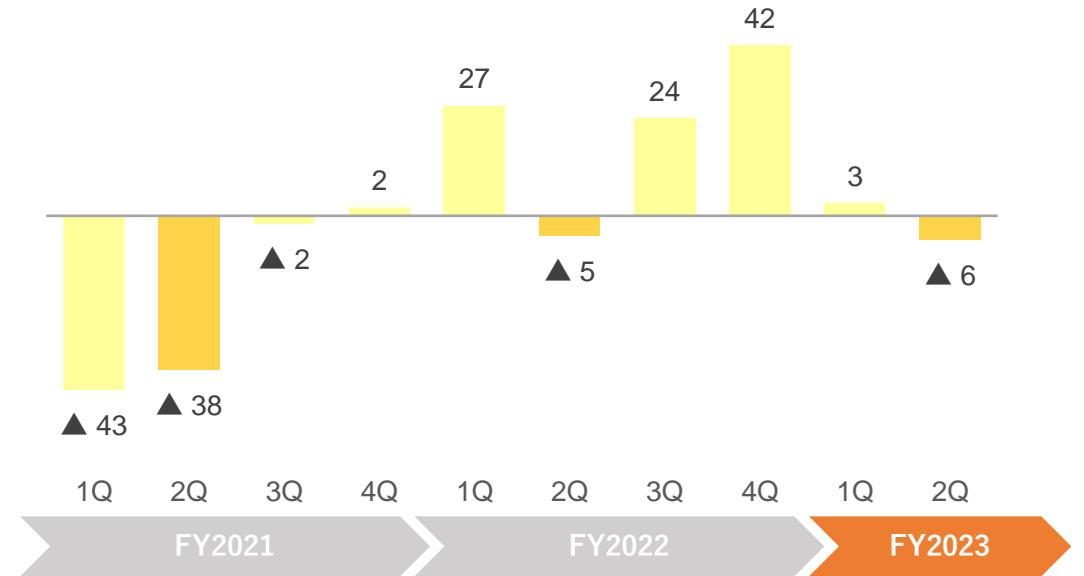
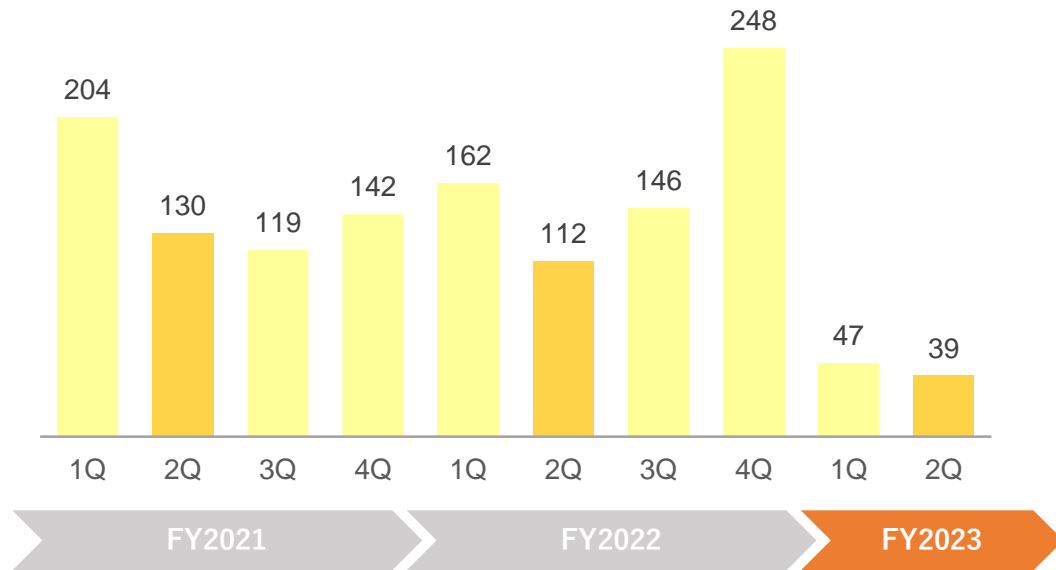
2Q Net Sales

¥ 39 million / YTD ¥ 86 million

2Q Operating Profit

¥ ▲6 million / YTD ¥ ▲3 million

(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%	-	13.8%	23.4%	28.3%
ROA	%	11.6%	3.0%	1.5%	4.3%	8.6%	6.6%	12.9%	4.9%	10.6%	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								Retrospective application	Business Segments until FY2022			
Communications ^①	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 & Communications ^①
Sports ^②	960	923	804	1,068	1,302	1,278	1,366	1,080					
SP・MD ^③	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 Activation ^②
“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								Retrospective application	Business Segments until FY2022			
Communications ^①	529	550	694	666	595	715	996	1,162	968	1,284	1,954	1,917	Marketing & Communications ^①
Sports ^②	99	76	73	140	172	178	237	288					
SP・MD ^③	63	-111	-110	294	34	-150	2	2	514	310	344	380	Sales Activation ^②
“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
Communications ^①	692	516	656	1,101	802	743	1,237	1,452	1,482	1,595	2,299	2,297	Sales Activation ^②

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.

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