



SUNNY SIDE UP GROUP Inc.

FY2023 3Q Consolidated Financial Results

for the Nine Months Ended March 31, 2024

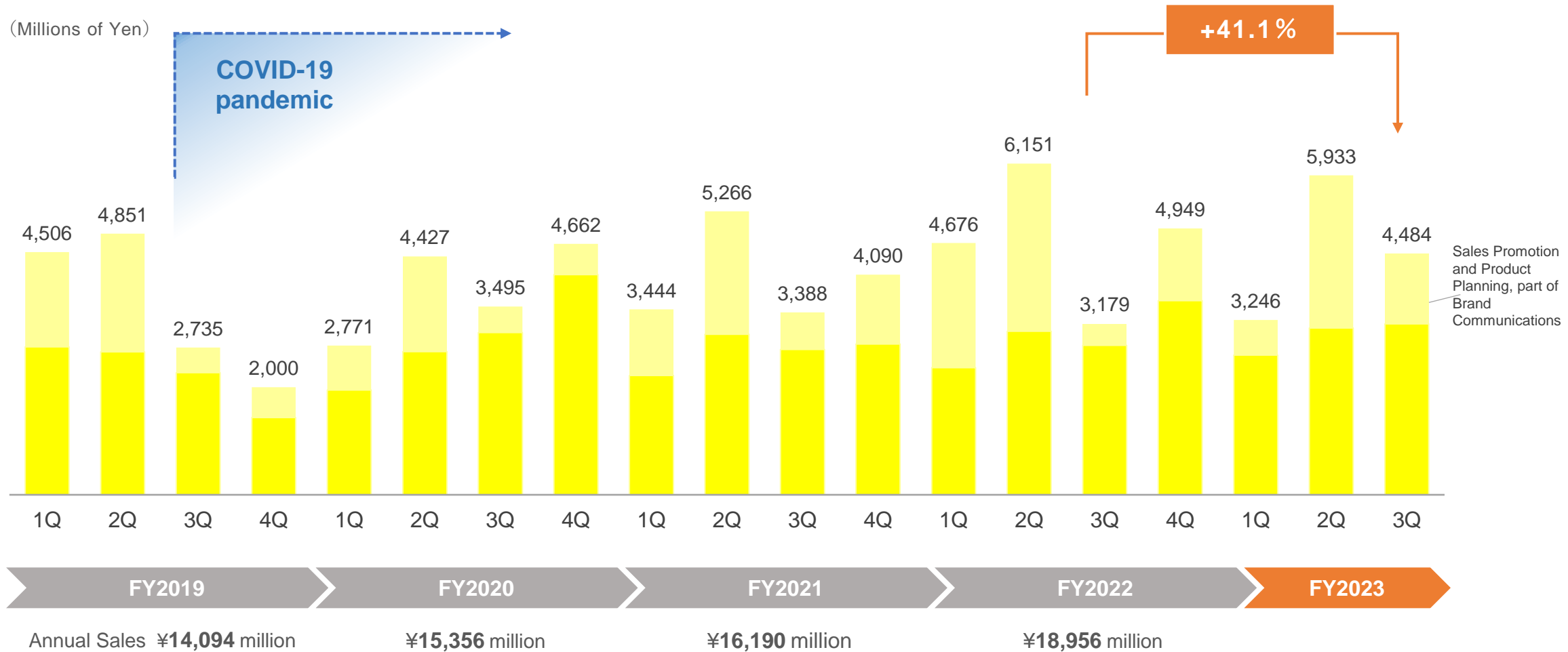
FY2023 3Q Consolidated Financial Results

for the Nine Months from July 1, 2023 to March 31, 2024

(Millions of Yen)

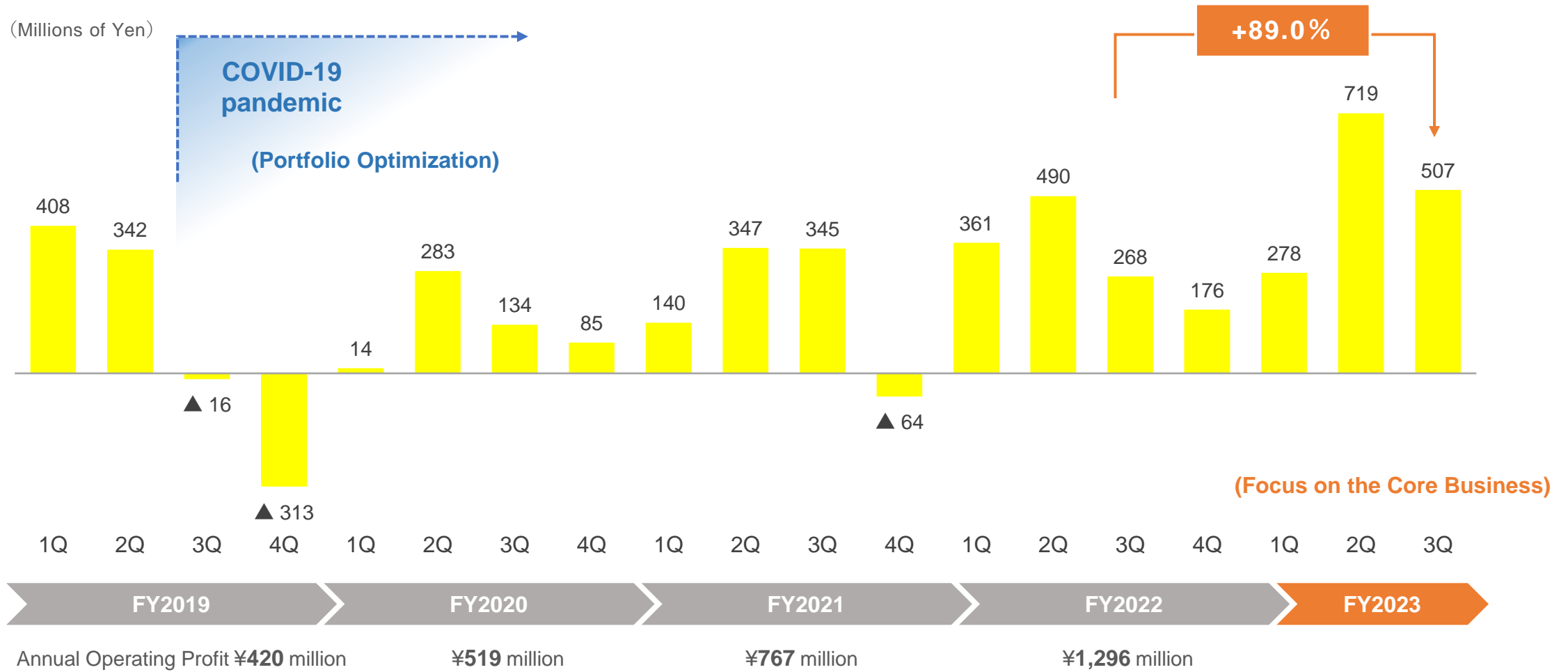
	FY2021 3Q YTD	FY2022 3Q YTD	FY2023 3Q YTD	Change YoY	FY2023 Full-year Forecasts (disclosed on August 14, 2023)	Rate of Progression
Net Sales	12,099	14,007	13,663	▲2.5%	21,000	65.1%
Operating Profit (Operating Profit Margin)	832 (6.9%)	1,120 (8.0%)	1,505 (11.0%)	+34.3% (+3.0pt)	1,560 (7.4%)	96.5%
Ordinary Profit	1,339	1,158	1,535	+32.5%	1,540	99.7%
Profit Attributable to Owners of Parent	792	673	959	+42.4%	930	103.1%
Earnings per Share (¥)	52.59	45.13	64.29	—	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

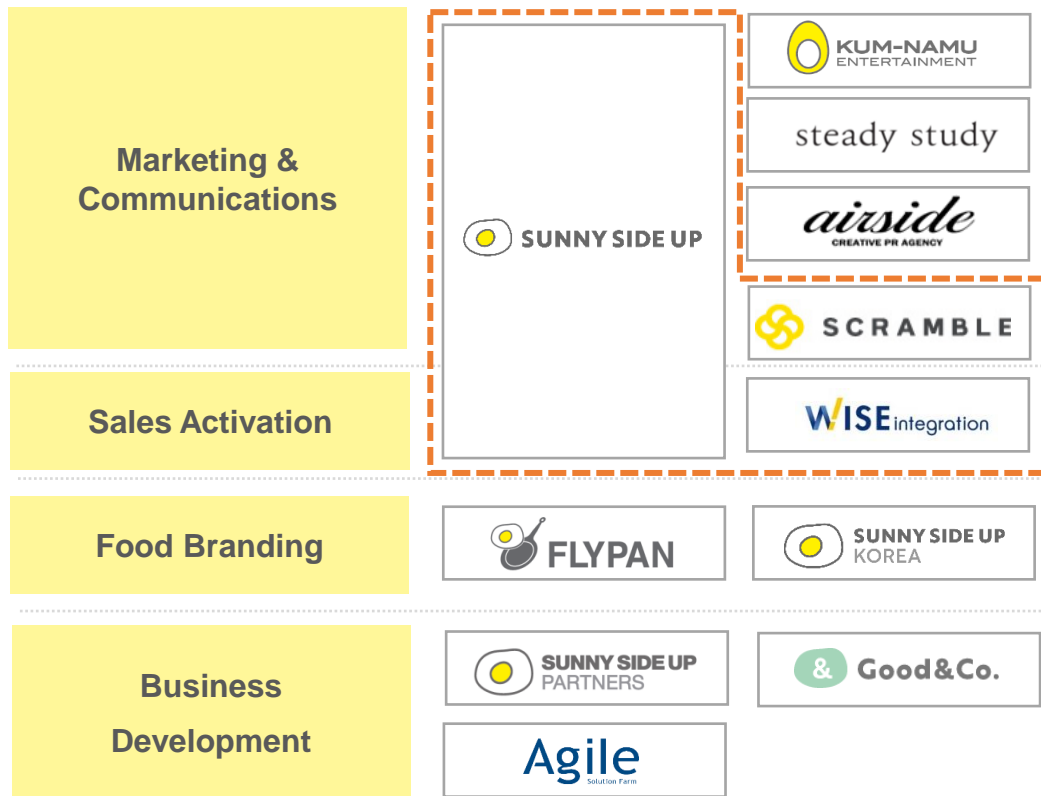


Consolidated Balance Sheet

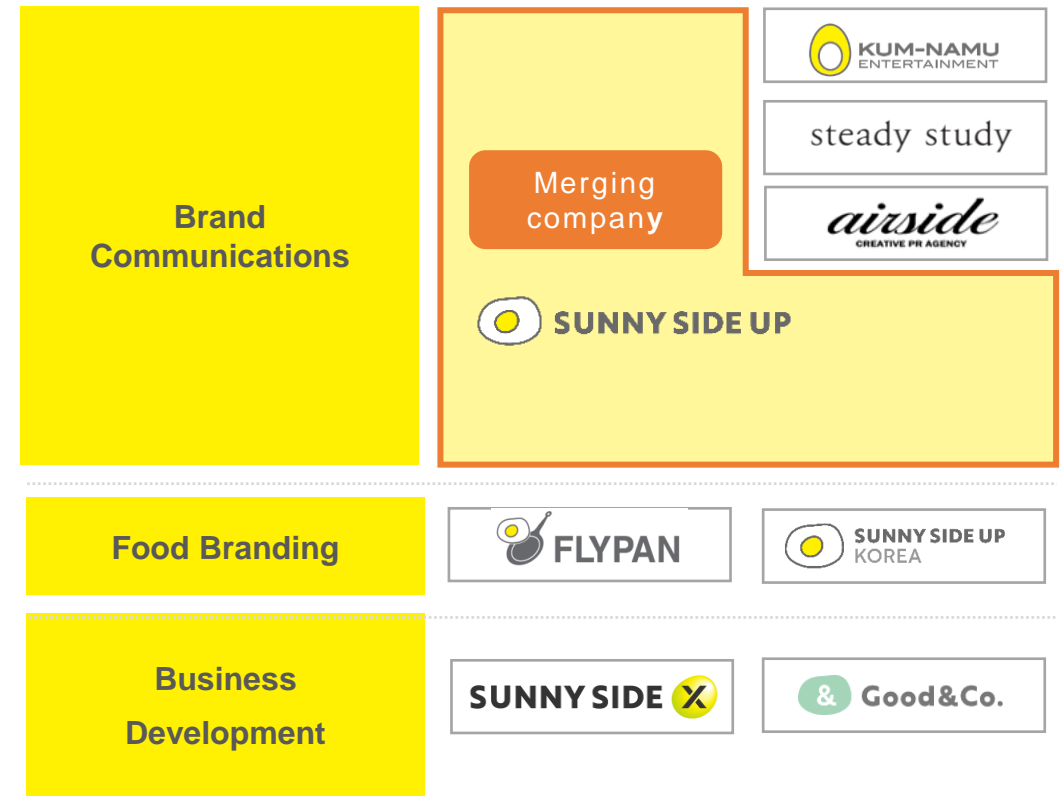
	As of March 31, 2023		As of June 30, 2023		As of March 31, 2024		
	Millions of yen	Percentage	Millions of yen	Percentage	Millions of yen	Percentage	Differences from the previous fiscal year
Current Assets	6,275	78.0%	6,622	77.0%	6,504	79.7%	▲118
Cash and deposits	2,606	32.4%	3,089	35.9%	3,398	41.6%	308
Account receivable –trade	1,901	23.6%	2,620	30.5%	2,360	28.9%	▲259
Costs on service contracts in progress	723	9.0%	551	6.4%	309	3.8%	▲242
Other	1,043	13.0%	360	4.2%	435	5.3%	75
Non-current Assets	1,765	22.0%	1,972	23.0%	1,660	20.3%	▲312
Total Assets	8,040	100.0%	8,595	100.0%	8,164	100.0%	▲430
Total Liabilities	4,654	57.9%	4,867	56.6%	3,866	47.4%	▲1,000
Account payable-trade	1,428	17.8%	1,989	23.1%	1,741	21.3%	▲247
Debts	1,391	17.3%	1,218	14.2%	696	8.5%	▲522
Other	1,834	22.8%	1,659	19.3%	1,428	17.5%	▲231
Total Net assets	3,386	42.1%	3,728	43.4%	4,298	52.6%	569
Total Liabilities and Net Assets	8,040	100.0%	8,595	100.0%	8,164	100.0%	▲430

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 3Q Performance by Segment

for the Nine Months from July 1, 2023 to March 31, 2024

(Millions of Yen)

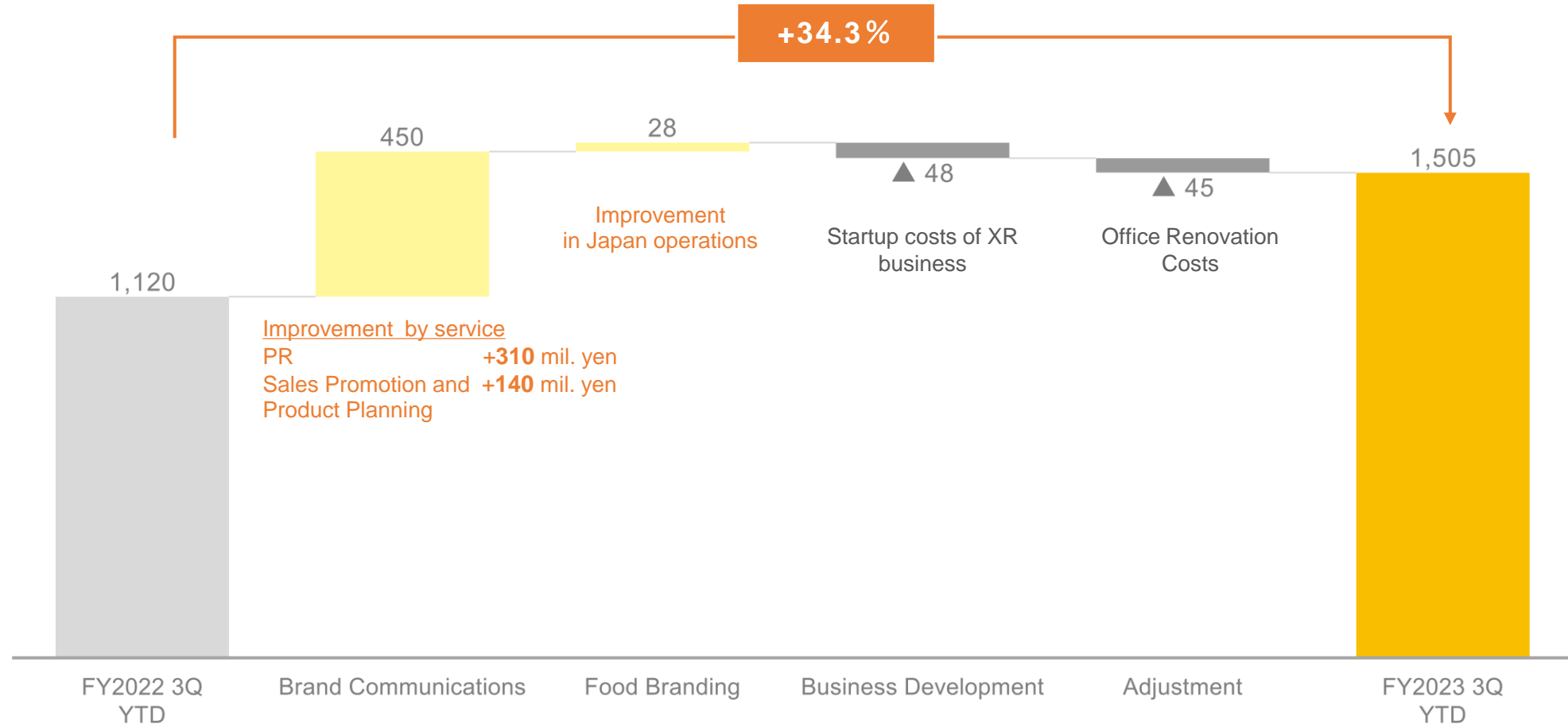
	Net Sales				Operating Profit (Operating profit margin)			
	FY2021 3Q YTD	FY2022 3Q YTD	FY2023 3Q YTD	Change YonY	FY2021 3Q YTD	FY2022 3Q YTD	FY2023 3Q YTD	Change YonY
Brand Communications	9,950*	11,481	11,113	▲3.2%	1,882* (18.9%)	1,773 (15.4%)	2,223 (20.0%)	+25.4%
Food Branding	1,694	2,104	2,416	+14.8%	▲252	50 (2.4%)	78 (3.3%)	+55.9%
Business Development	454	421	133	▲68.2%	▲84	46 (11.0%)	▲2	—
Adjustment	—	—	—	—	▲712	▲749	▲795	—

Notes: 1. FY2021 3Q YTD results of Brand Communications (*) are total values of Marketing & Communications and Sales Activations, former business segments.

2. FY2022 3Q YTD results are based on new business segments.

Change in 3Q Operating Profit

(Millions of Yen)



Brand Communications Quarterly Trends

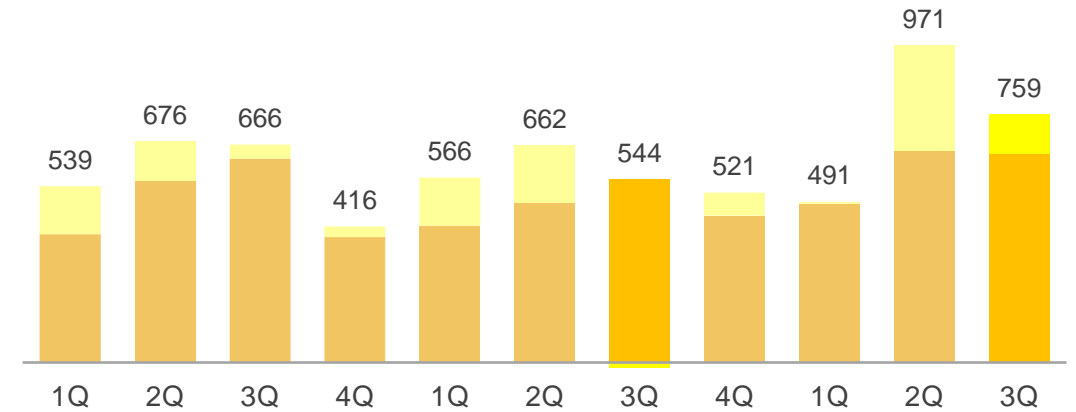
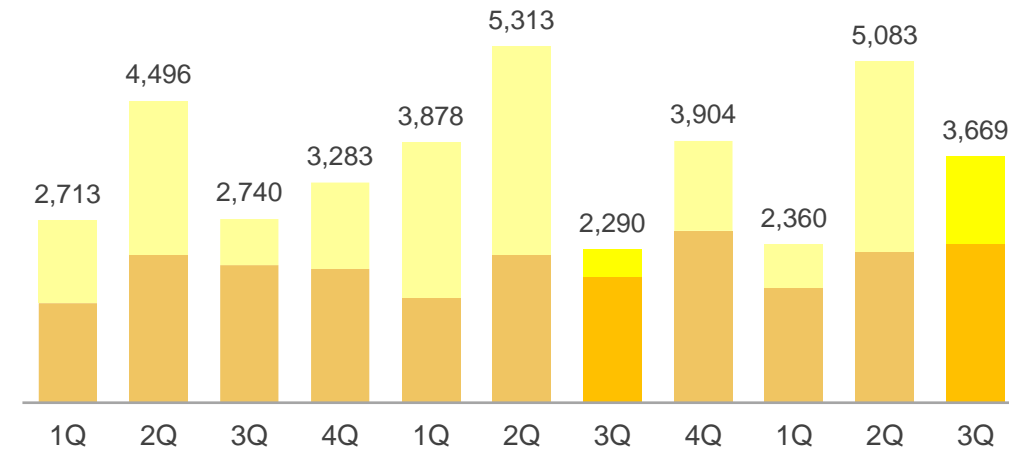
3Q Net Sales
¥ 3,669 million / YTD ¥ 11,113 million

3Q Operating Profit
¥ 759 million / YTD ¥ 2,223 million

(Millions of yen)

■ PR ■ Sales Promotion & Product Planning

■ PR ■ Sales Promotion & Product Planning



FY2021
FY2022
FY2023

FY2021
FY2022
FY2023

Notes: 1. FY2021 results of Brand Communications are total values of Marketing & Communications and Sales Activations, former business segments.
 2. The results of FY2022 1Q, 2Q and 3Q are based on new business segments.

Brand Communications Quarterly Sales by Service

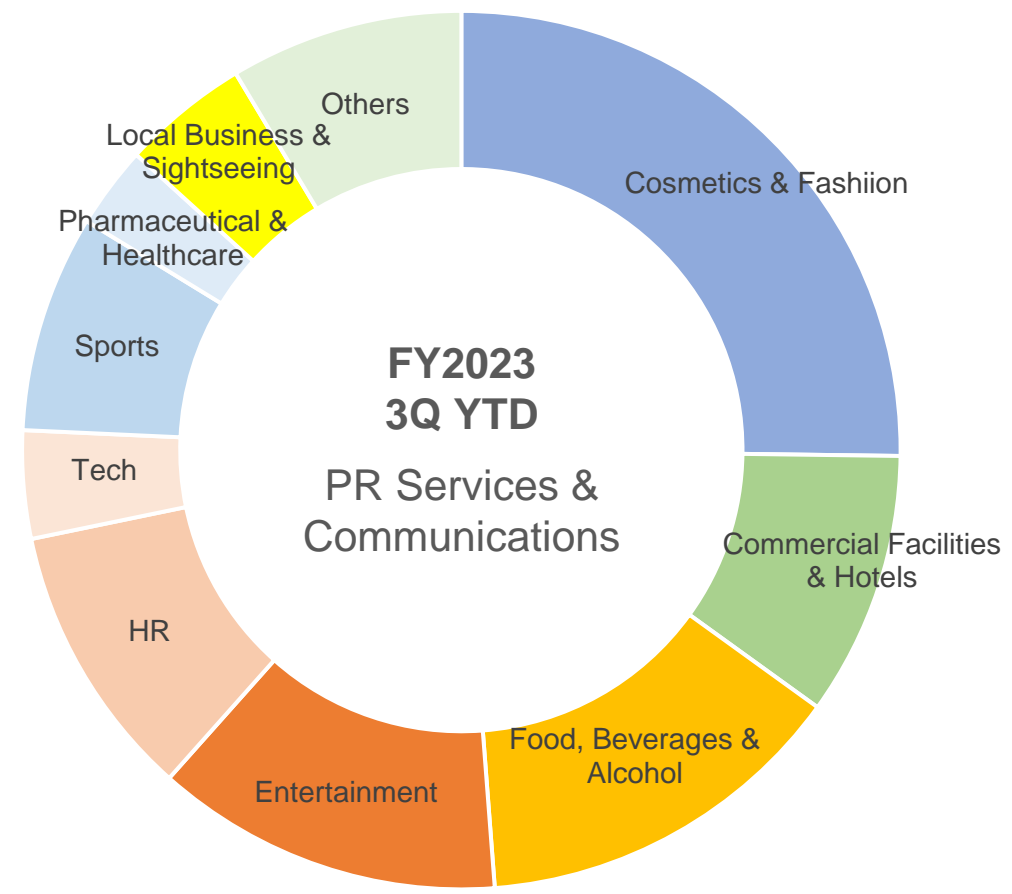
(Millions of Yen)

	FY2020				FY2021				FY2022				FY2023		
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q
Quarterly Sales															
PR	1,281	1,936	2,416	3,485	1,485	2,211	2,052	1,994	1,562	2,198	1,884	2,562	1,707	2,249	2,360
Sales Promotion and Product Planning	823	1,767	481	572	1,227	2,285	687	1,289	2,316	3,114	405	1,341	653	2,834	1,308
Total	2,105	3,703	2,897	4,058	2,713	4,496	2,740	3,283	3,878	5,313	2,290	3,904	2,360	5,083	3,669
YTD Sales															
PR	1,281	3,218	5,634	9,119	1,485	3,697	5,750	7,744	1,562	3,760	5,645	8,207	1,707	3,956	6,317
Sales Promotion and Product Planning	823	2,590	3,071	3,644	1,227	3,512	4,200	5,489	2,316	5,431	5,836	7,178	653	3,487	4,796
Total	2,105	5,808	8,706	12,764	2,713	7,210	9,950	13,234	3,878	9,191	11,481	15,385	2,360	7,444	11,113

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. "Total" sales of FY2022 1Q, 2Q and 3Q are based on new business segments, whereas FY2023 sales by service are reference values based on old business segments.

Brand Communications Sales by Industry

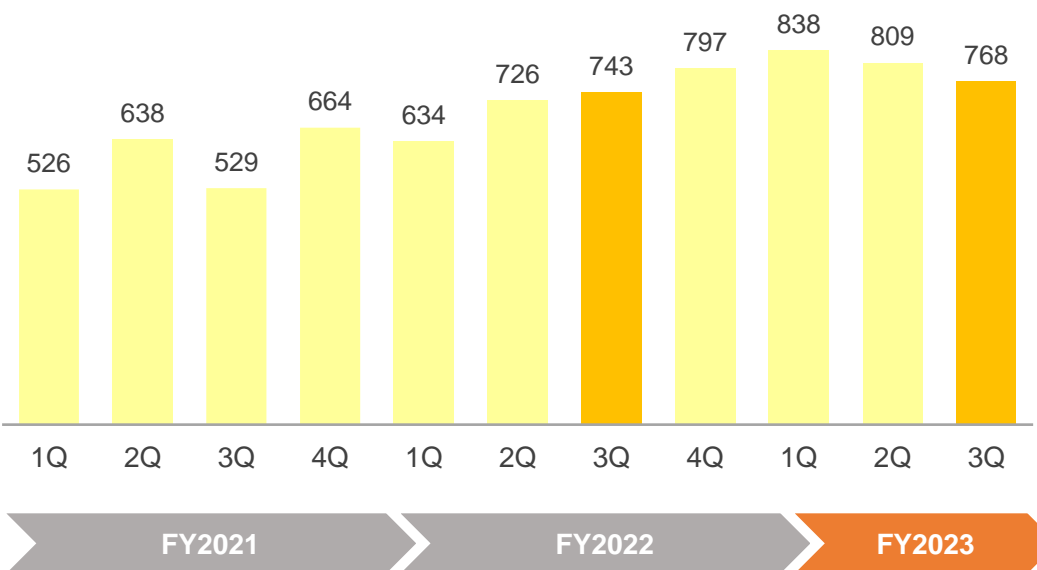


Food Branding Quarterly Trends

3Q Net Sales

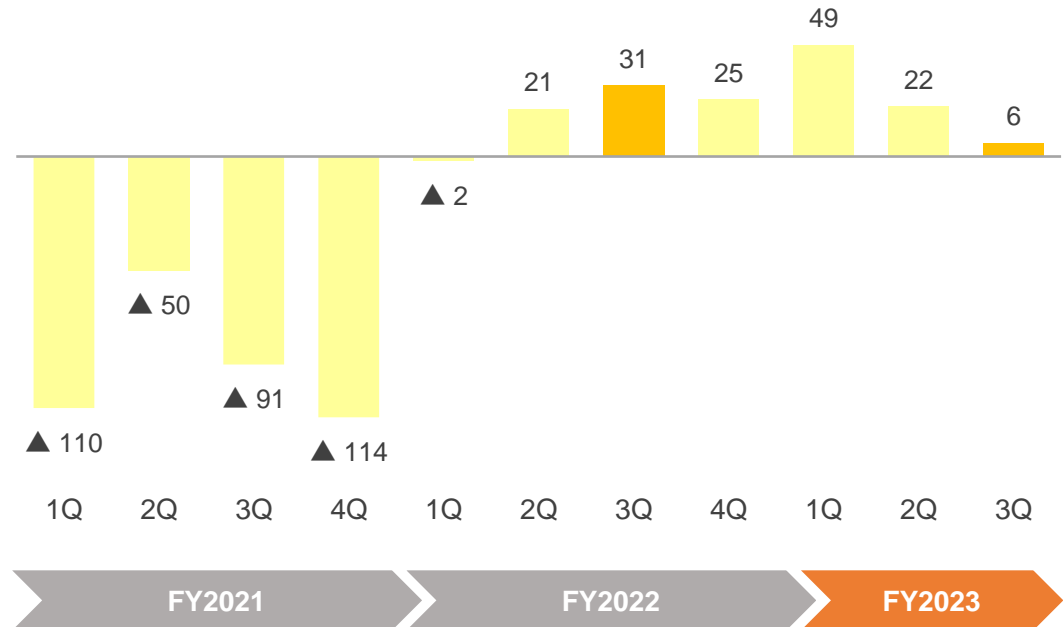
¥ 768 million / YTD ¥ 2,416 million

(Millions of yen)



3Q Operating Profit

¥ 6 million / YTD ¥ 78 million



Business Development Quarterly Trends

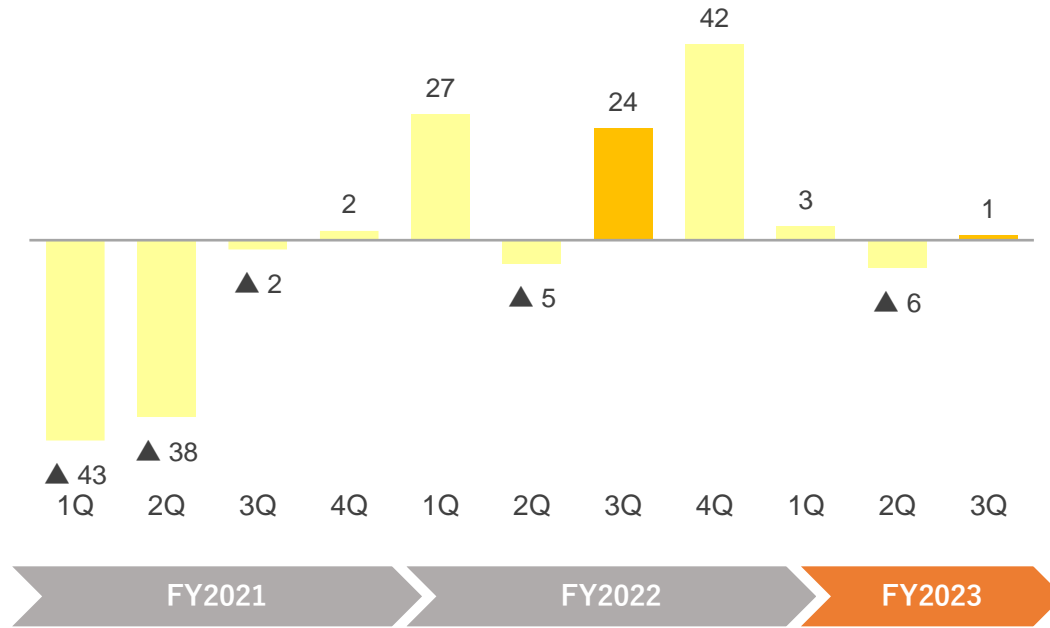
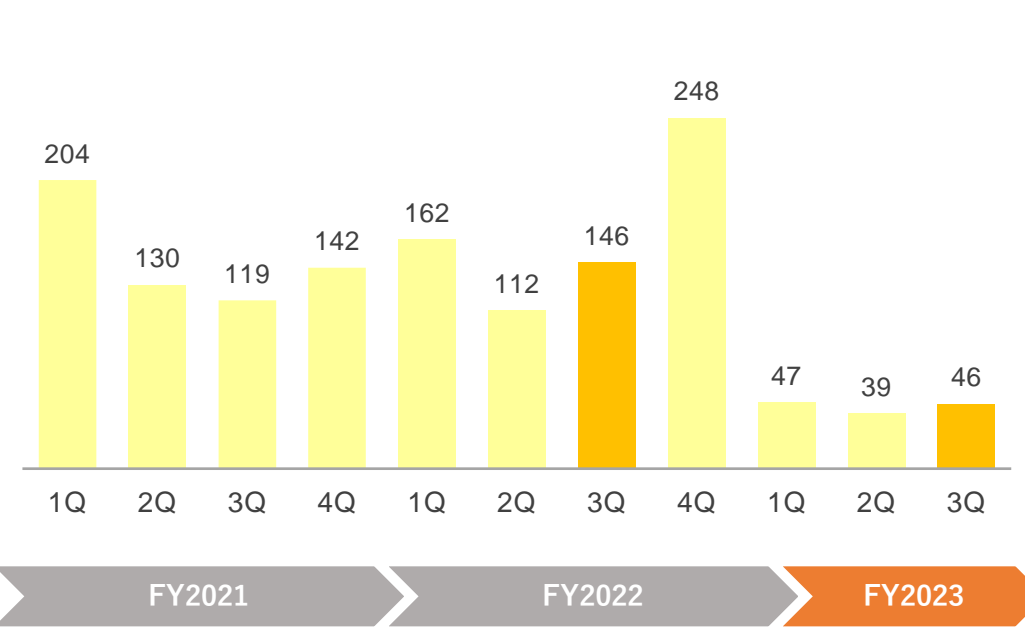
3Q Net Sales

¥ 46 million / YTD ¥ 133 million

3Q Operating Profit

¥ 1 million / YTD ¥ ▲2 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

(Millions of yen)

		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%
Equity 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

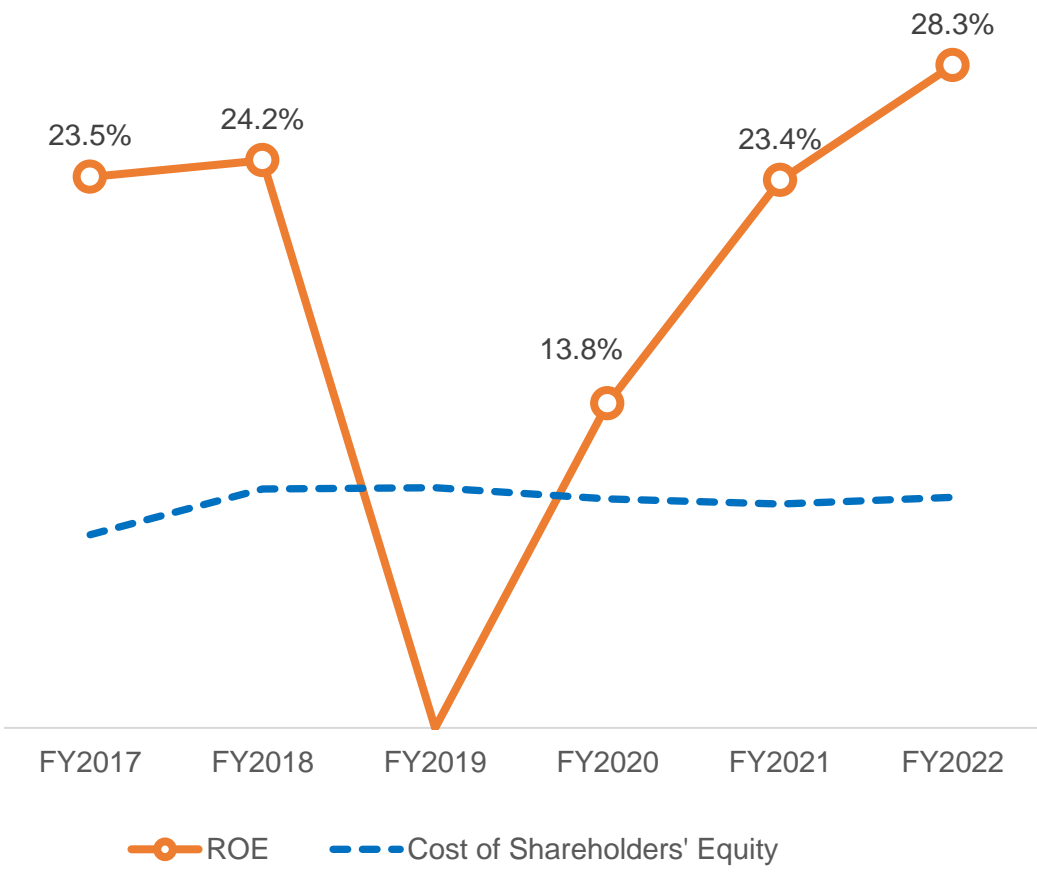
(Millions of yen)

	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

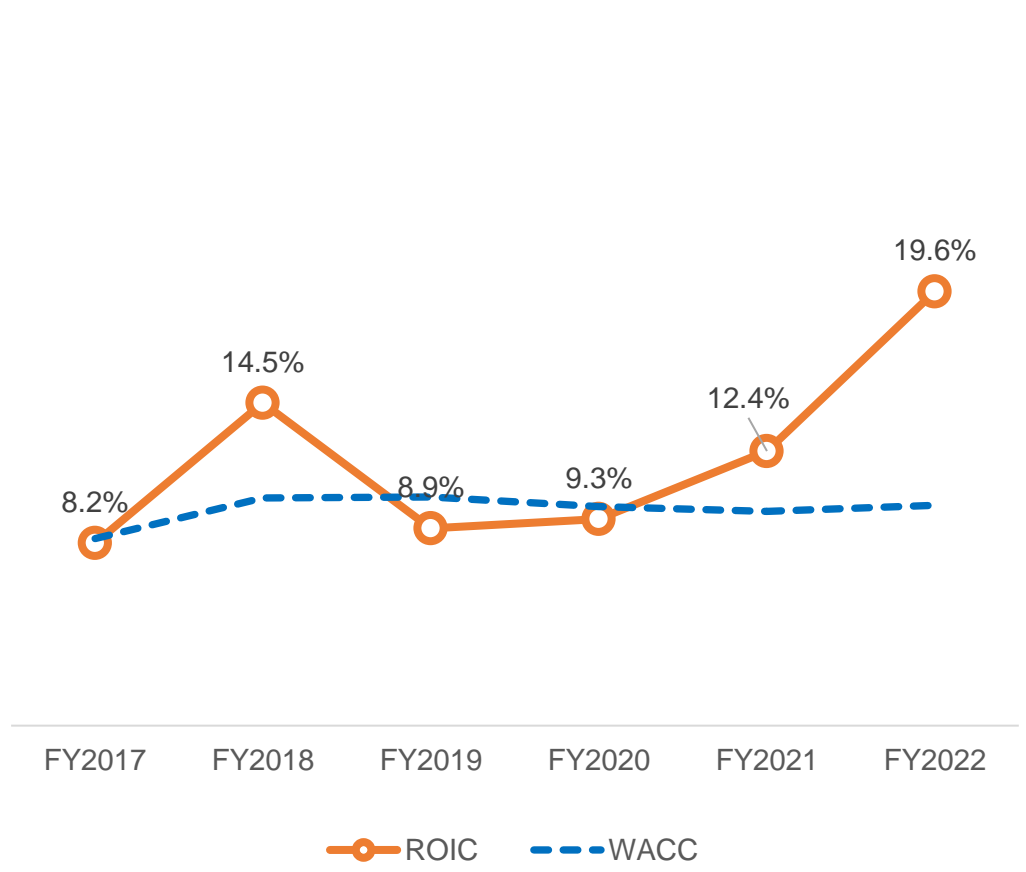
Note: The Company has applied the “Accounting Standard for Revenue Recognition” (ASBJ Statement No.29, March 31, 2020) and relevant ASBJ regulations from the beginning of the first three months of FY2021.

Cost of Equity vs. Return on Capital

Cost of Shareholders' Equity vs. ROE



WACC vs. ROIC

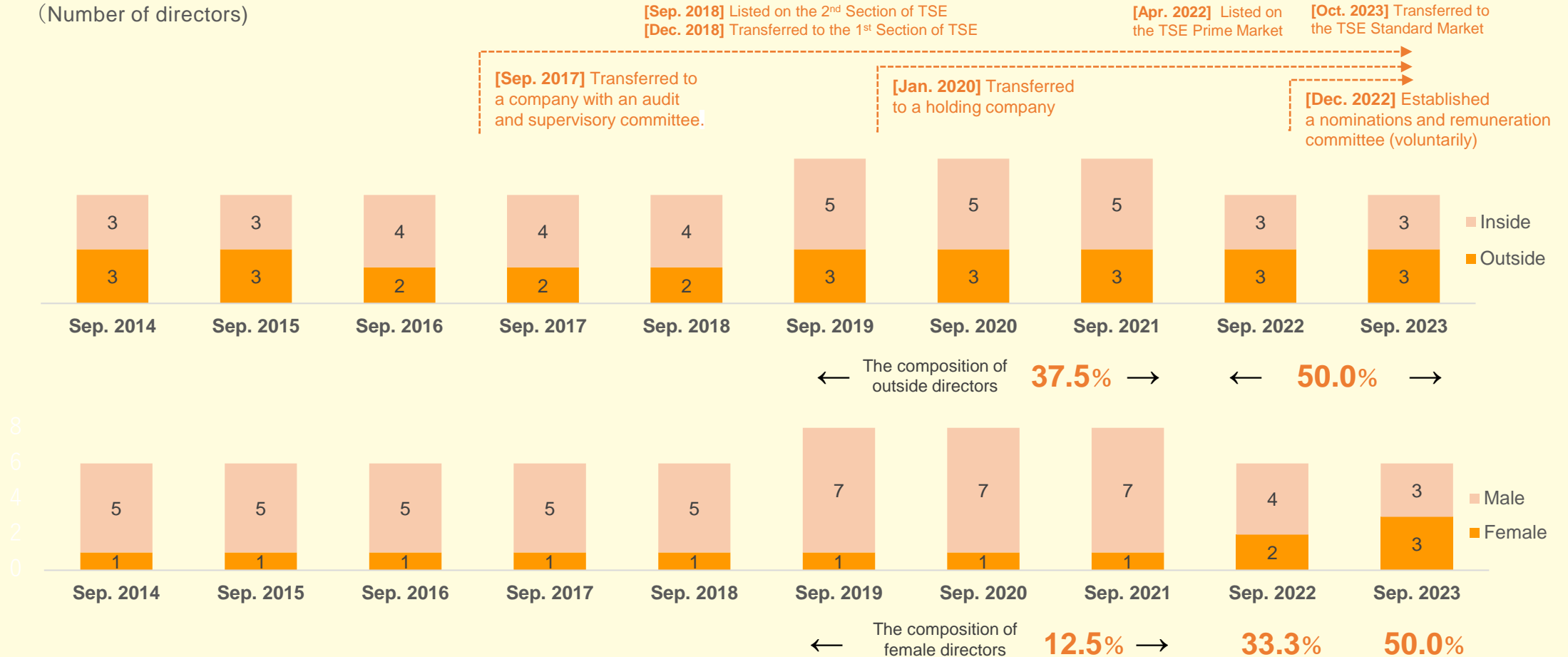


Note: ROIC is calculated by dividing net operating profit after tax(NOPAT) by weighed average invested capital, consisting of debt and shareholders' equity.

Corporate Governance

Board Composition and Diversity (Outside/Inside, Female/Male)

(Number of directors)



Note: In June 2021, Etsuko Tsugihara, President was appointed chairperson of the Committee on Diversity & Inclusion in KEIDANREN, Japan Business Federation(Current position).

CHANGE THE WORLD.

たのしいさわぎで、世界を変える。

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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