



SUNNY SIDE UP GROUP Inc.

FY2024 1Q Consolidated Financial Results

for the Three Months Ended September 30, 2024

FY2024 1Q Consolidated Financial Results

for the Three Months from July 1, 2024 to September 30, 2024

(Millions of Yen)

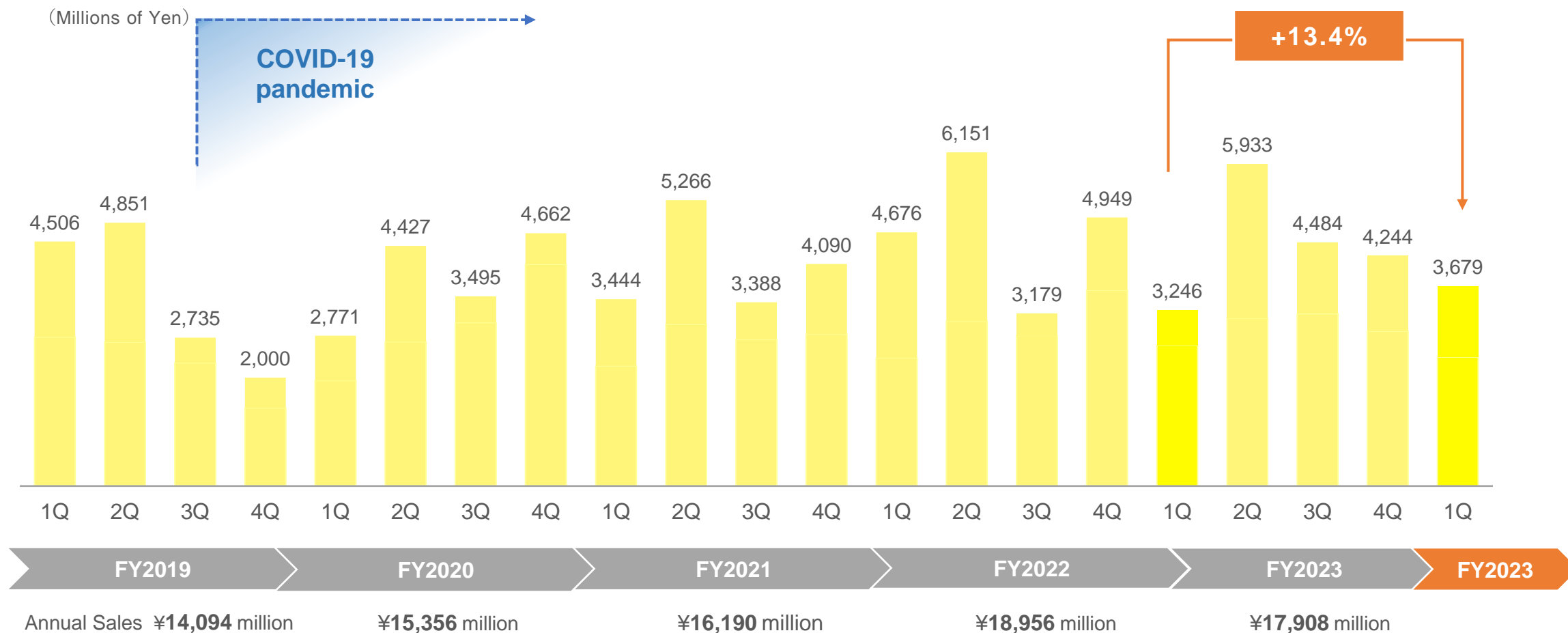
	FY2023 1Q	FY2024 1Q	Changes YonY	On a like- for-like (LFL) basis*	FY2024 Full-year Forecasts (disclosed on August 13, 2024)	Rate of Progression	On a LFL basis* (Rate in FY2023 1Q)
Net Sales	3,246	3,679	+ 13.4%	—	18,500	19.9%	—
Operating Profit (Operating Profit Margin)	278 (8.6%)	180 (4.9%)	▲35.1% (▲3.7pt)	290 (7.9%)	1,650 (8.9%)	10.9%	17.6% (17.8%)
Ordinary Profit	286	193	▲32.6%	303	1,660	11.6%	18.3% (18.6%)
Profit Attributable to Owners of Parent	96	128	+ 32.4%	—	960	13.4%	—
Earnings per Share (¥)	6.50	8.60	—	—	64.34	—	—

Note: *The figures exclude the impact of equalization costs of employee bonus.

Consolidated Balance Sheet

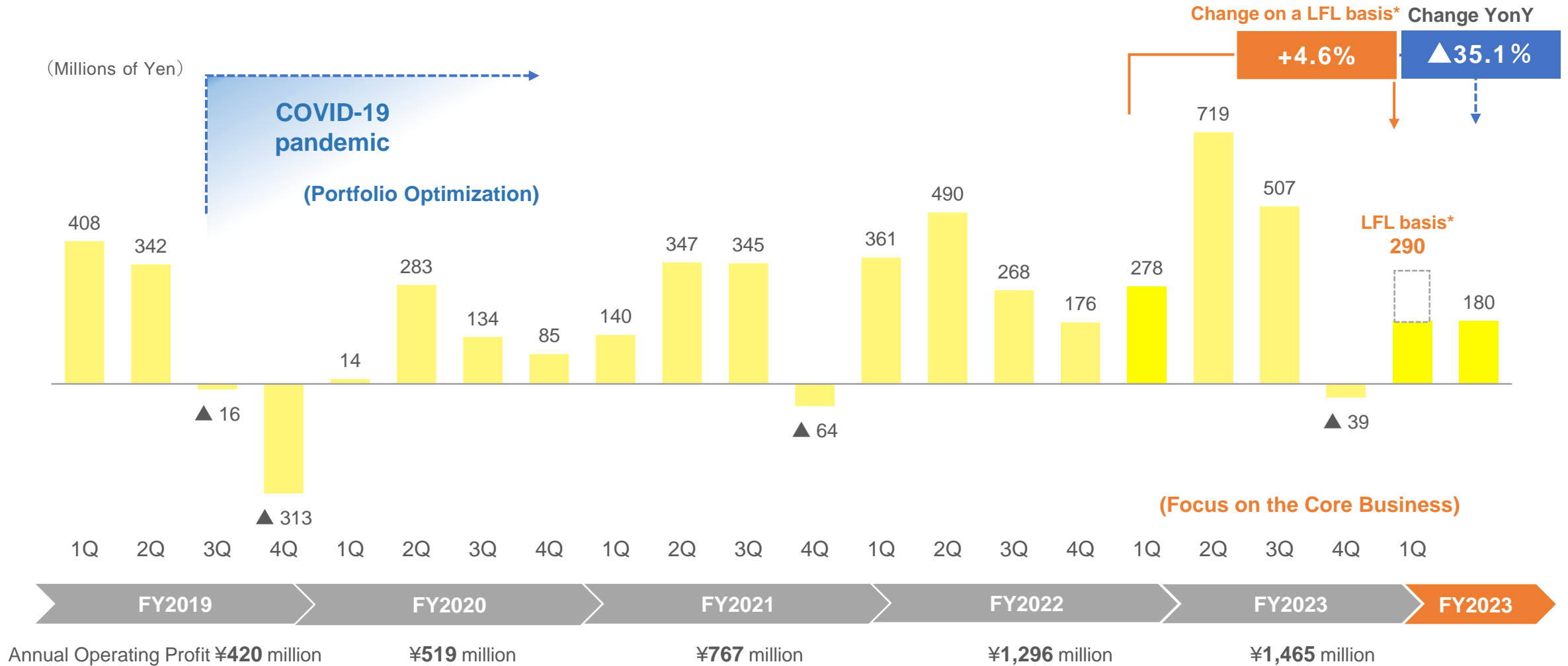
	As of September 30, 2023		As of June 30, 2024		As of September 30, 2024		
	Millions of yen	Percentage	Millions of yen	Percentage	Millions of yen	Percentage	Differences from the previous fiscal year
Current Assets	5,661	76.4%	6,549	77.3%	5,232	73.7%	▲1,316
Cash and deposits	2,216	29.9%	3,185	37.6%	2,402	33.8%	▲783
Account receivable –trade	1,846	24.9%	2,494	29.4%	1,834	25.8%	▲659
Costs on service contracts in progress	919	12.4%	306	3.6%	380	5.4%	73
Other	678	9.2%	563	6.6%	615	8.7%	52
Non-current Assets	1,749	23.6%	1,923	22.7%	1,869	26.3%	▲53
Total Assets	7,411	100.0%	8,472	100.0%	7,102	100.0%	▲1,370
Total Liabilities	3,872	52.2%	4,336	51.2%	3,054	43.0%	▲1,281
Account payable-trade	1,567	21.1%	1,515	17.9%	1,011	14.2%	▲504
Debts	1,069	14.4%	991	11.7%	847	11.9%	▲143
Other	1,235	16.7%	1,829	21.6%	1,195	16.8%	▲633
Total Net assets	3,539	47.8%	4,136	48.8%	4,047	57.0%	▲89
Total Liabilities and Net Assets	7,411	100.0%	8,472	100.0%	7,102	100.0%	▲1,370

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



Note: *The figures exclude the impact of equalization costs of employee bonus.

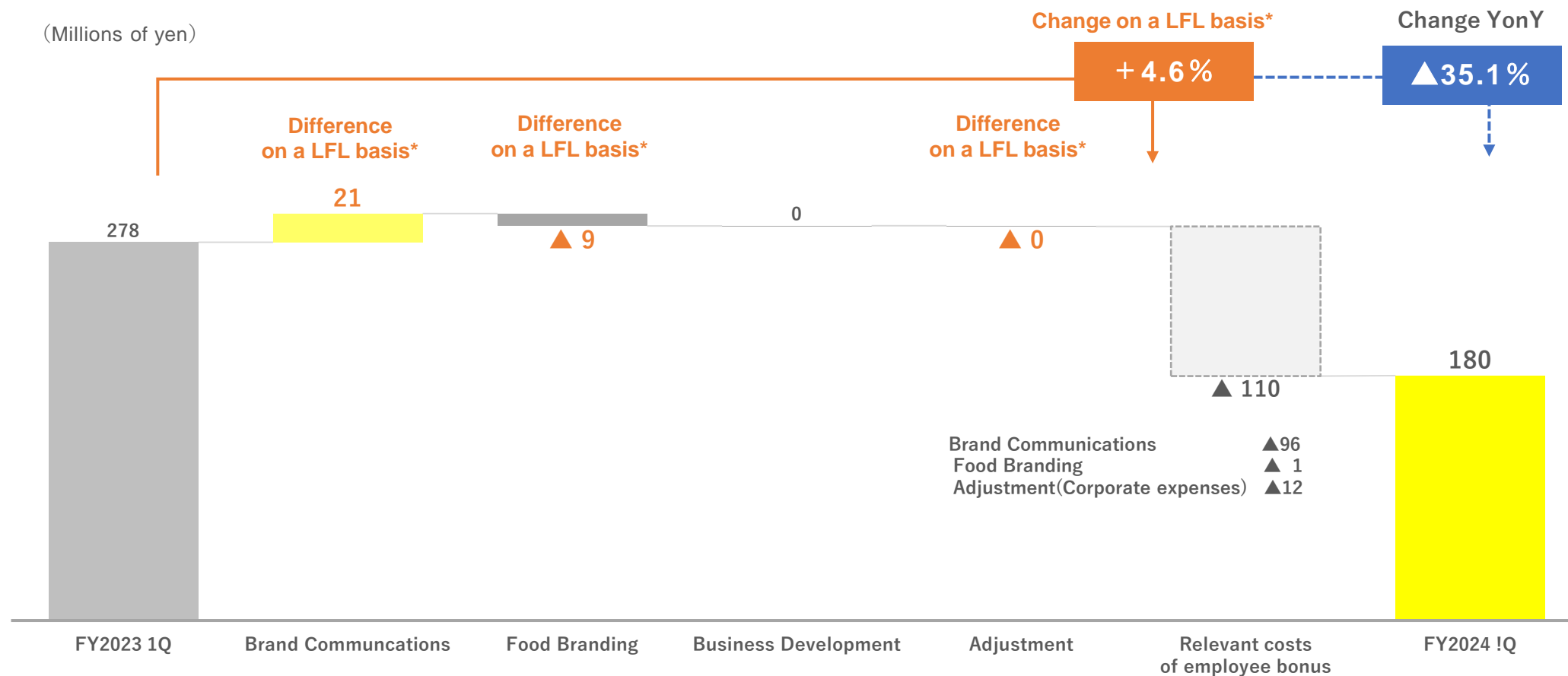
FY2024 1Q Performance by Segment

(Millions of yen)

	Net Sales			Operating Profit (Operating profit margin)			
	FY2023 1Q	FY2024 1Q	Changes YonY	FY2023 1Q	FY2024 1Q	Changes YonY	On a LFL basis*
Brand Communications	2,360	2,835	+20.1%	491 (20.8%)	416 (14.7%)	▲15.3% (▲6.1pt)	513 (18.1%)
Food Branding	838	825	▲1.6%	49 (5.9%)	38 (4.6%)	▲22.6% (▲1.3pt)	39 (4.8%)
Business Development	47	19	▲59.4%	3 (7.5%)	4 (23.3%)	+ 25.5% (+15.7%)	4 (23.3%)
Adjustment	—	—	—	▲266	▲278	—	▲266

Note: *The figures exclude the impact of equalization costs of employee bonus.

Change in 1Q Operating Profit



Note: *The figures exclude the impact of equalization costs of employee bonus.

FY2024 Full-year Forecasts

for the Twelve Months from July 1, 2024 to June 30, 2025

(Millions of Yen)

	FY2023 Full-year Results	FY2024 Full-year Forecasts	Changes YoY
Net Sales	17,908	18,500	+3.3%
Operating Profit (Operating Profit Margin)	1,465 (8.2%)	1,650 (8.9%)	+12.6% (+0.7pt)
Recurring Profit	1,501	1,660	+10.6%
Profit Attributable to Owners of Parent	795	960	+20.7%
Earning per Share (¥)	53.30	64.34	—
Dividend per Share (¥) (Interim dividend per share)	20 (5)	22 (7)	—

Business Segments

Business Segments

Brand Communications



steady study



SUNNY SIDE UP Inc. provides a wide range of communication services, including sales promotion initiatives enlisting entertainers, fictional characters and other such intellectual property.

Kumnamu Entertainment, Inc. leverages the strong base of a casting network and planning capabilities to cast popular performing artists from Japan and South Korea.

steady study Ltd. provides planning, consulting services and operations of PR and events in the fashion and lifestyle industry.

Airside Inc. has been working on many publicity activities for commercials and press conferences featuring popular artists.

Food Branding



The Segment is engaged in domestic branding and licensing business of “bills”, an all-day dining restraint from Sydney, Australia, and conducts license management and store operations in South Korea.

Business Development

TKG CONSULTING



The Segment works to extend the Group’s business domains by developing and creating new business while the Group’s core operations provide a stable earnings platform.

Note: In October 2024, Sunny Side X, Inc. changed its company name to TKG Consulting Inc.

Brand Communications Quarterly Trends

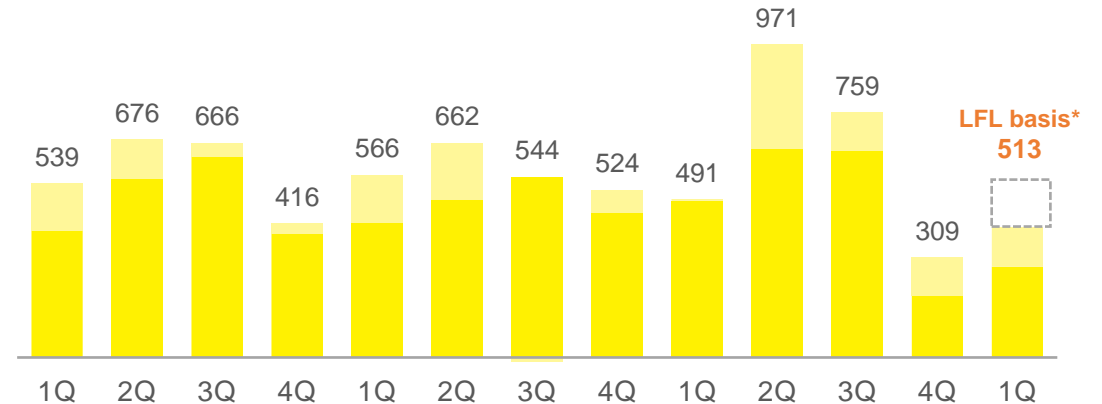
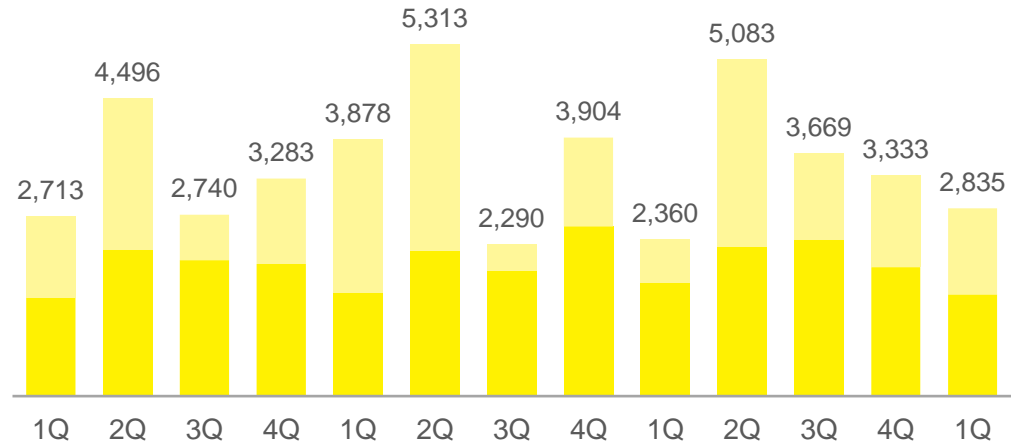
1Q Net Sales
¥2,835 million

1Q Operating Profit
 LFL basis*
¥416 million / ¥513 million

(Millions of yen)

■ PR ■ Sales Promotion & Product Planning

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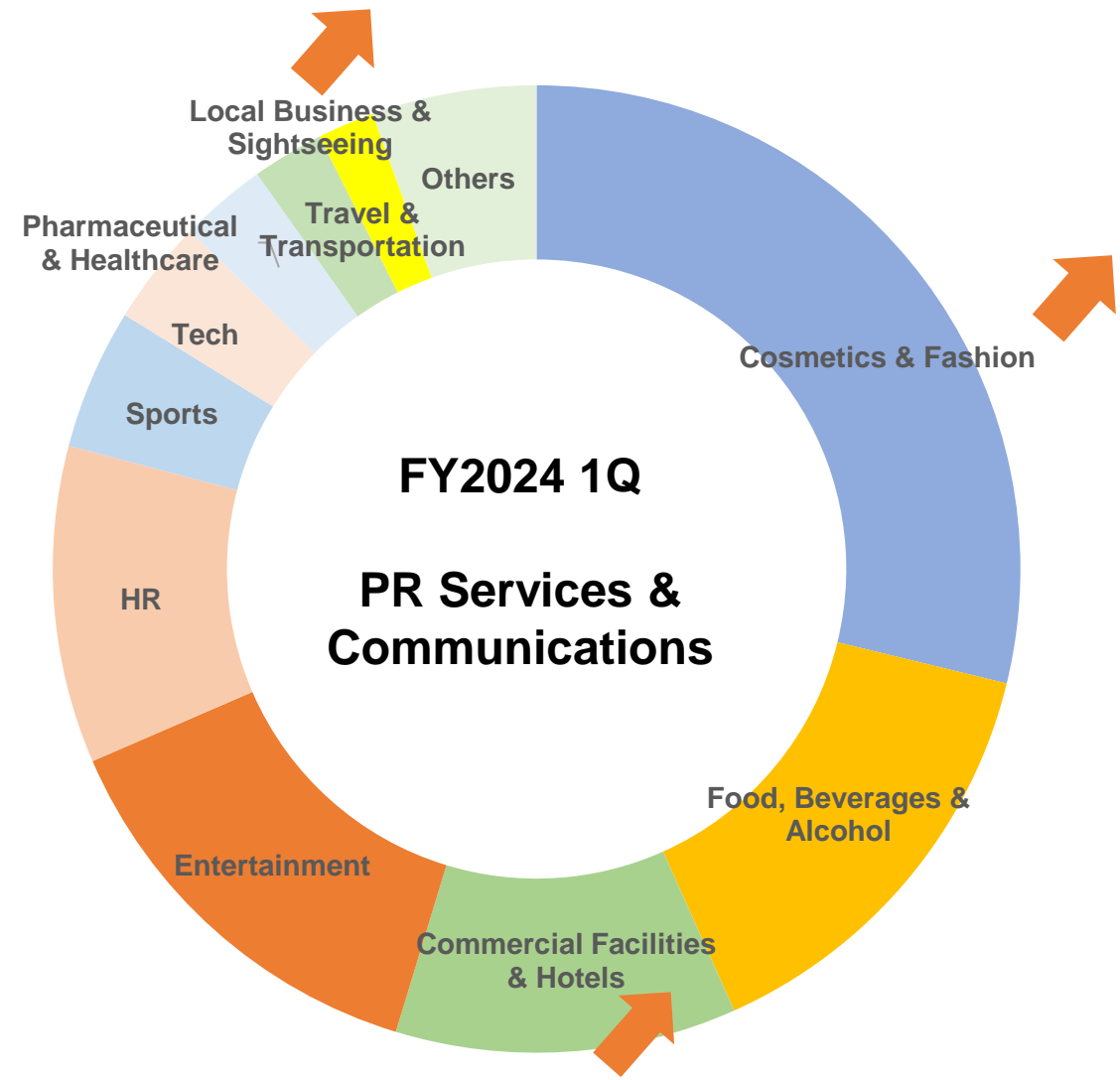


FY2021 FY2022 FY2023 FY2024
 Annual Sales ¥13,234 million ¥15,385 million ¥14,447 million

FY2021 FY2022 FY2023 FY2024
 Annual Operating Profit ¥2,299 million ¥2,297 million ¥2,532 million

Note: *The figure excludes the impact of equalization costs of employee bonus.

Brand Communications Sales by Industry



Brand Communications Quarterly Sales by Service

(Millions of Yen)

	FY2021				FY2022				FY2023				FY2024
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q
Quarterly Sales													
PR	1,485	2,211	2,052	1,994	1,562	2,198	1,884	2,562	1,707	2,249	2,360	1,945	1,534
Sales Promotion & Product Planning	1,227	2,285	687	1,289	2,316	3,114	405	1,341	653	2,834	1,308	1,388	1,301
Total	2,713	4,496	2,740	3,283	3,878	5,313	2,290	3,904	2,360	5,083	3,669	3,333	2,835
YTD Sales													
PR	1,485	3,697	5,750	7,744	1,562	3,760	5,645	8,207	1,707	3,956	6,317	8,263	1,534
Sales Promotion & Product Planning	1,227	3,512	4,200	5,489	2,316	5,431	5,836	7,178	653	3,487	4,796	6,184	1,301
Total	2,713	7,210	9,950	13,234	3,878	9,191	11,481	15,385	2,360	7,444	11,113	14,447	2,835

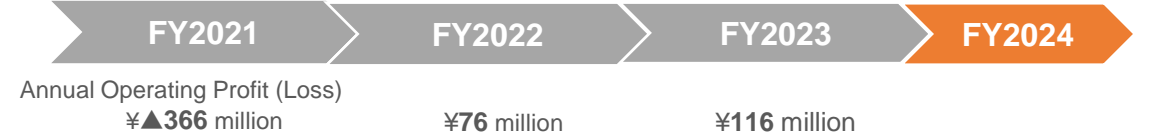
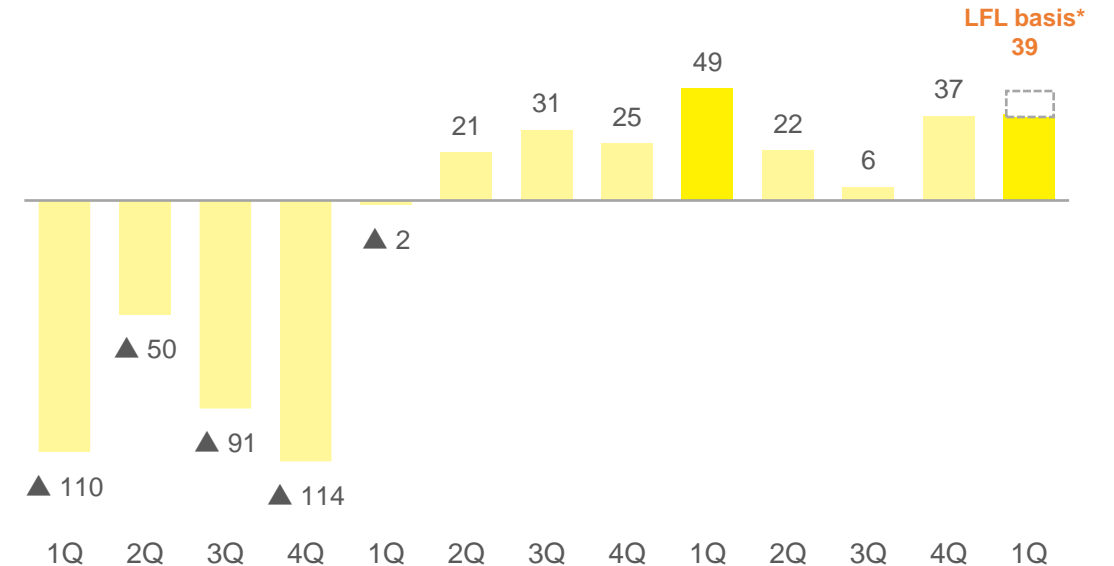
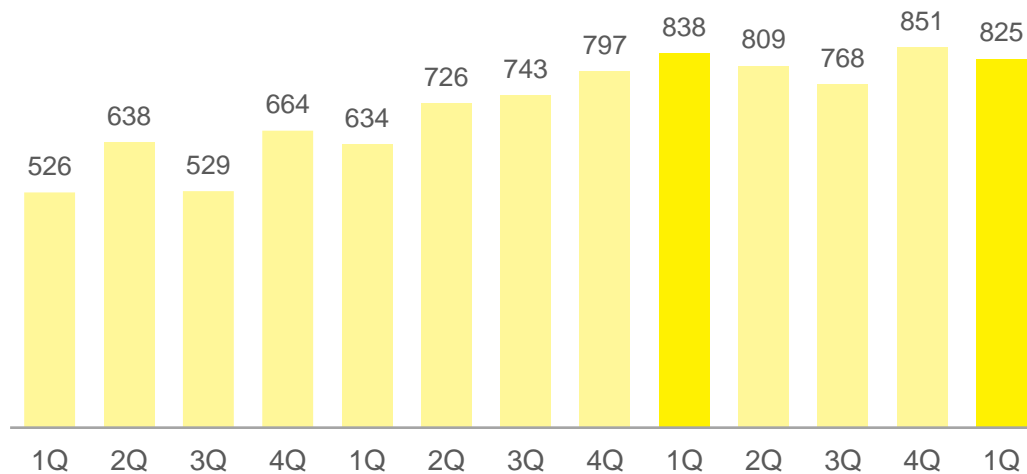
Note: The Company has applied the "Accounting Standard for Revenue Recognition" (ASBJ Statement No.29, March 31, 2020) and relevant ASBJ regulations from the beginning of the first three months of FY2021.

Food Branding Quarterly Trends

1Q Net Sales
¥825 million

1Q Operating Profit
 LFL basis*
¥38 million / ¥39 million

(Millions of yen)



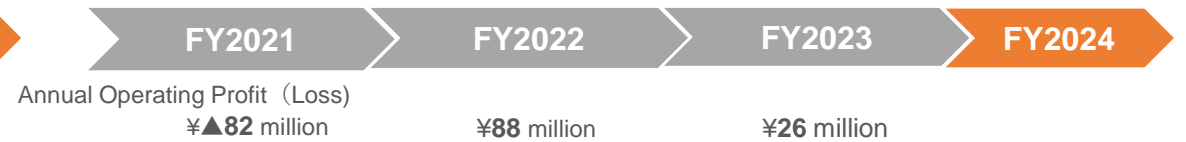
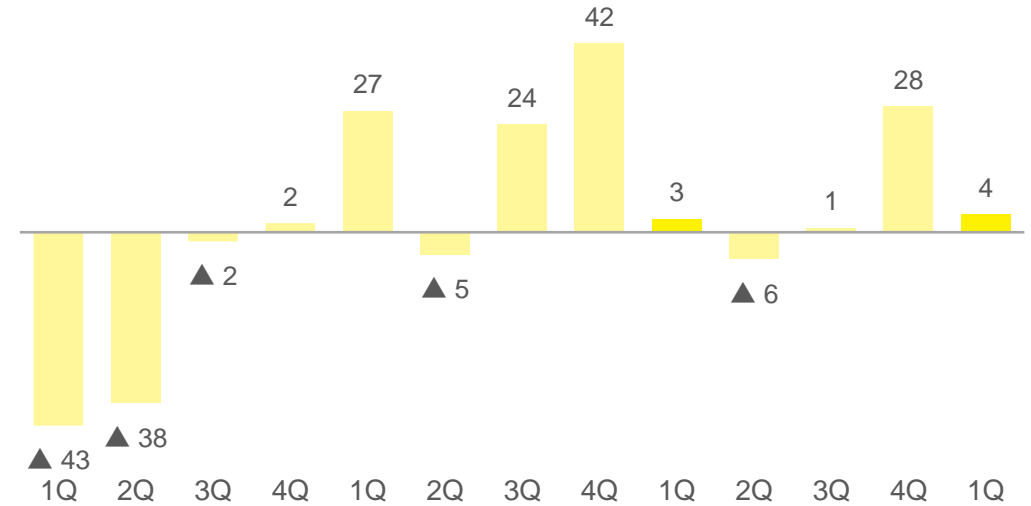
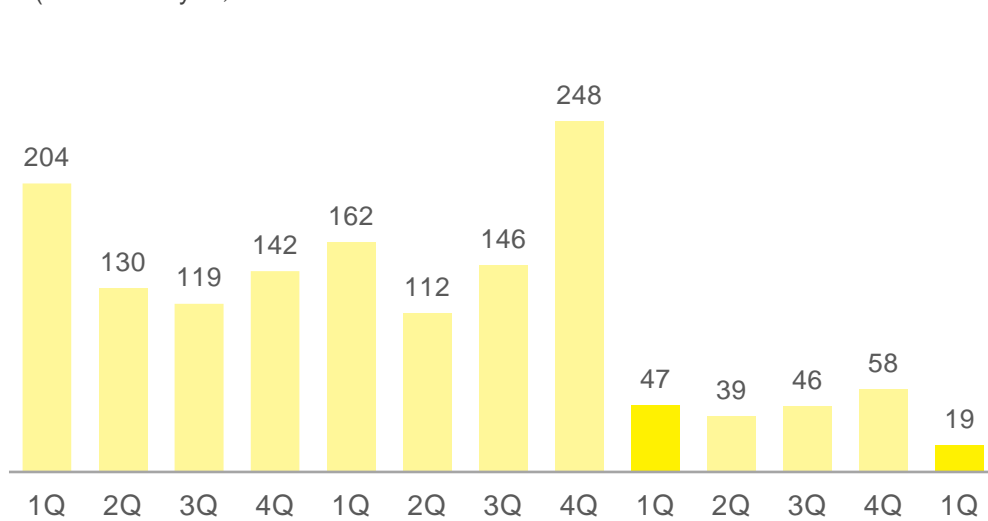
Note: *The figure excludes the impact of equalization costs of employee bonus.

Business Development Quarterly Trends

1Q Net Sales
¥ 19 million

1Q Operating Profit
¥ 4 million

(Millions of yen)



11-year Consolidated Financial Highlights

(Millions of yen)

	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023
Sales and Profit											
Sales	12,443	11,940	13,393	13,891	13,537	14,627	14,094	15,356	16,190	18,956	17,908
Operating Profit	51	-88	447	387	355	610	420	519	767	1,296	1,465
Ordinary Profit	153	83	236	494	365	718	275	666	1,284	1,335	1,501
Profit attribute to owners of parent	-7	-330	-216	304	380	493	-210	298	581	884	795
Cash Flows											
Cash Flows from Operating Activities	-377	37	24	352	757	529	549	339	1,185	846	655
Cash flows from Investing Activities	-85	-91	-159	-325	738	-336	-685	-311	-274	-274	-120
Free Cash Flows	-462	-54	-135	27	1,495	193	-135	27	910	571	535
Cash Flows from Financing Activities	551	-90	212	-92	-794	-338	705	423	-294	-744	-470
Cash and Deposits	996	902	1,045	995	1,696	1,559	2,135	2,587	3,214	3,074	3,169
Consolidated Financial Position											
Total assets	5,613	5,291	5,773	5,706	5,327	5,788	5,462	7,163	7,548	8,595	8,472
Net assets	1,906	1,423	1,402	1,555	1,888	2,397	2,087	2,340	2,820	3,728	4,136
Debts	1,676	1,684	1,833	1,716	1,020	720	1,506	1,915	1,722	1,218	991
CAPEX and Depreciations											
Capital Expenditures	416	105	143	291	236	256	28	164	48	141	124
Depreciations (CF)	112	170	149	127	141	161	143	106	94	85	92

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)

		FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023
Share Information												
Total number of issued shares	Share	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	15,197,600
Dividends per share	¥	20	10	30	10	10	10	2	6	12	15	20
Payout ratio	%	-	-	-	24.1%	19.4%	15.2%	-	30.3%	31.1%	25.3%	37.5%
Performance per Share												
							*	*				
EPS	¥	-2.18	-93.76	-60.43	41.57	25.85	33.42	-13.97	19.83	38.58	59.28	53.30
BPS	¥	501.30	371.66	343.55	198.20	120.72	153.13	135.17	151.30	178.92	238.78	266.20
Financial Indicators												
Operating profit ratio	%	0.4%	-0.7%	3.3%	2.8%	2.6%	4.2%	3.0%	3.4%	4.7%	6.8%	8.2%
ROE	%	-	-	-	22.4%	23.5%	24.2%	-	13.8%	23.4%	28.3%	21.1%
ROA	%	3.0%	1.5%	4.3%	8.6%	6.6%	12.9%	4.9%	10.6%	17.5%	16.5%	17.6%
Equity ratio	%	31.6%	25.1%	21.8%	25.5%	33.4%	39.7%	37.3%	31.8%	35.7%	41.4%	46.9%
D/E Ratio	Time	0.9	1.3	1.5	1.2	0.6	0.3	0.7	0.8	0.6	0.3	0.2
Employees												
Number of employees	Person	186	196	260	273	358	382	354	334	376	347	360

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

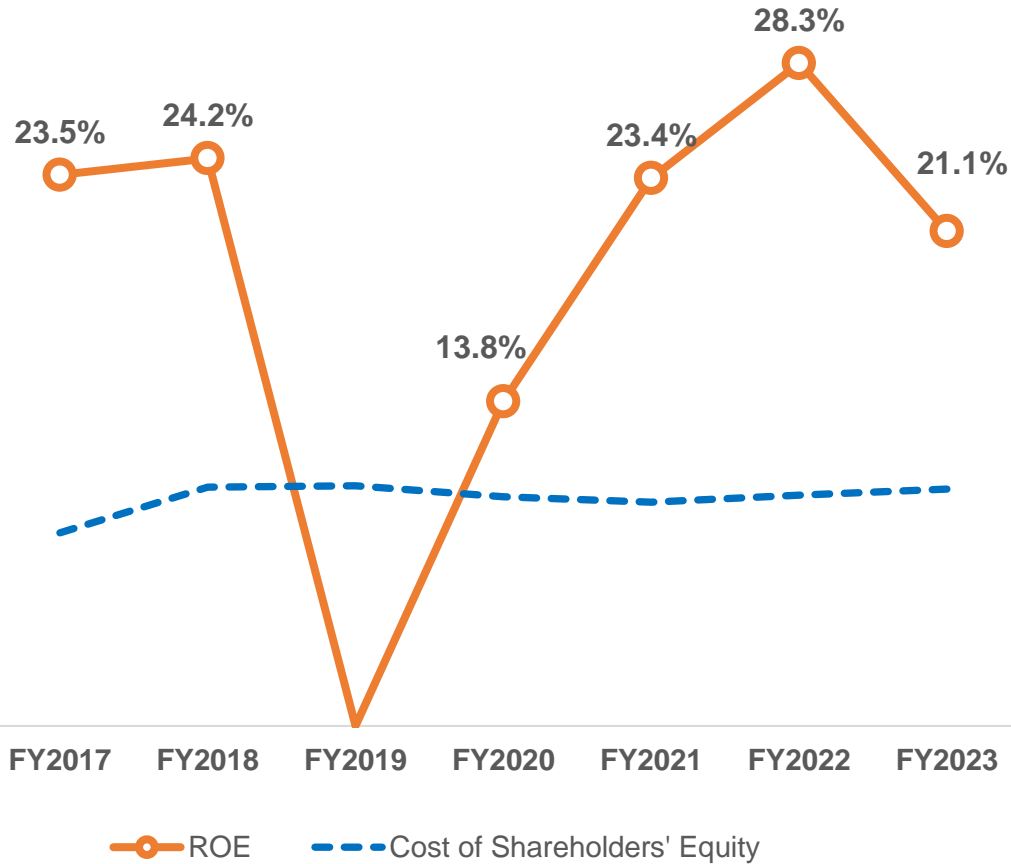
(Millions of yen)

	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY'2019	FY2020	FY2021	FY2022	FY2023			
Net Sales	Business Segments until FY2019							Retrospective application	Business Segments until FY2022					
Communications ^①	5,081	5,789	5,429	5,715	6,194	7,434	8,158	5,818	9,119	7,744	8,207	14,447	Brand Communications Marketing & Communications ^①	
Sports ^②	923	804	1,068	1,302	1,278	1,366	1,080							
SP・MD ^③	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”	2,385	2,930	3,120	4,100	4,421	4,241	3,259	3,259	2,355	2,359	2,901	3,268	Food Branding	
Business Development	121	102	244	184	191	351	205	31	236	596	669	192	Business Development	
Total	12,443	11,940	13,393	13,891	13,537	14,627	14,094	14,094	15,356	16,190	18,956	17,908	Total	
【Total】 ^{①+②+③}	9,935	8,907	10,029	9,606	8,924	10,035	10,629	10,803	12,764	13,234	15,385	14,447	【Total】 ^{①+②}	
Operating Profit	Business Segments until FY2019							Retrospective application	Business Segments until FY2022					
Communications ^①	550	694	666	595	715	996	1,162	968	1,284	1,954	1,917	2,532	Brand Communications Marketing & Communications ^①	
Sports ^②	76	73	140	172	178	237	288							
SP・MD ^③	-111	-110	294	34	-150	2	2	514	310	344	380			Sales Activation ^②
“bills”	-102	-155	28	126	166	66	-210	-210	-293	-366	76	116	Food Branding	
Business Development	136	-72	-71	-25	40	59	-4	-40	110	-82	88	26	Business Development	
Adjustment	-499	-516	-611	-515	-594	-753	-817	-810	-892	-1,082	-1,166	-1,209	Adjustment	
Total	51	-88	447	387	355	610	420	420	519	767	1,296	1,465	Total	
【Total】 ^{①+②+③}	516	656	1,101	802	743	1,237	1,452	1,482	1,595	2,299	2,297	2,532	【Total】 ^{①+②}	

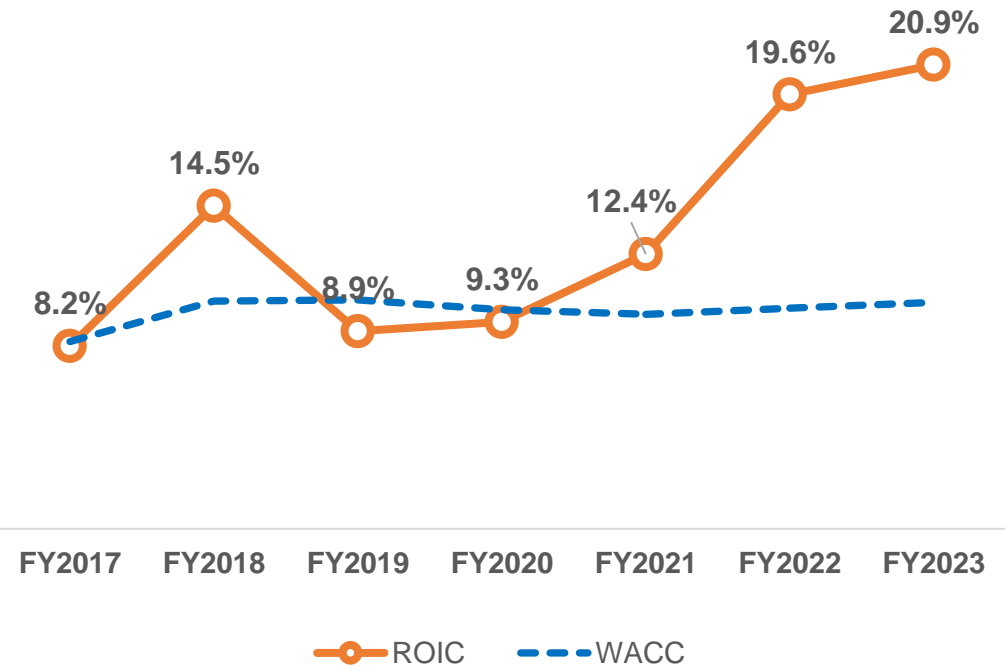
Note: The Company has applied the “Accounting Standard for Revenue Recognition” (ASBJ Statement No.29, March 31, 2020) and relevant ASBJ regulations from the beginning of the first three months of FY2021.

Cost of Equity vs. Return on Capital

Cost of Shareholders' Equity vs. ROE



WACC vs. ROIC

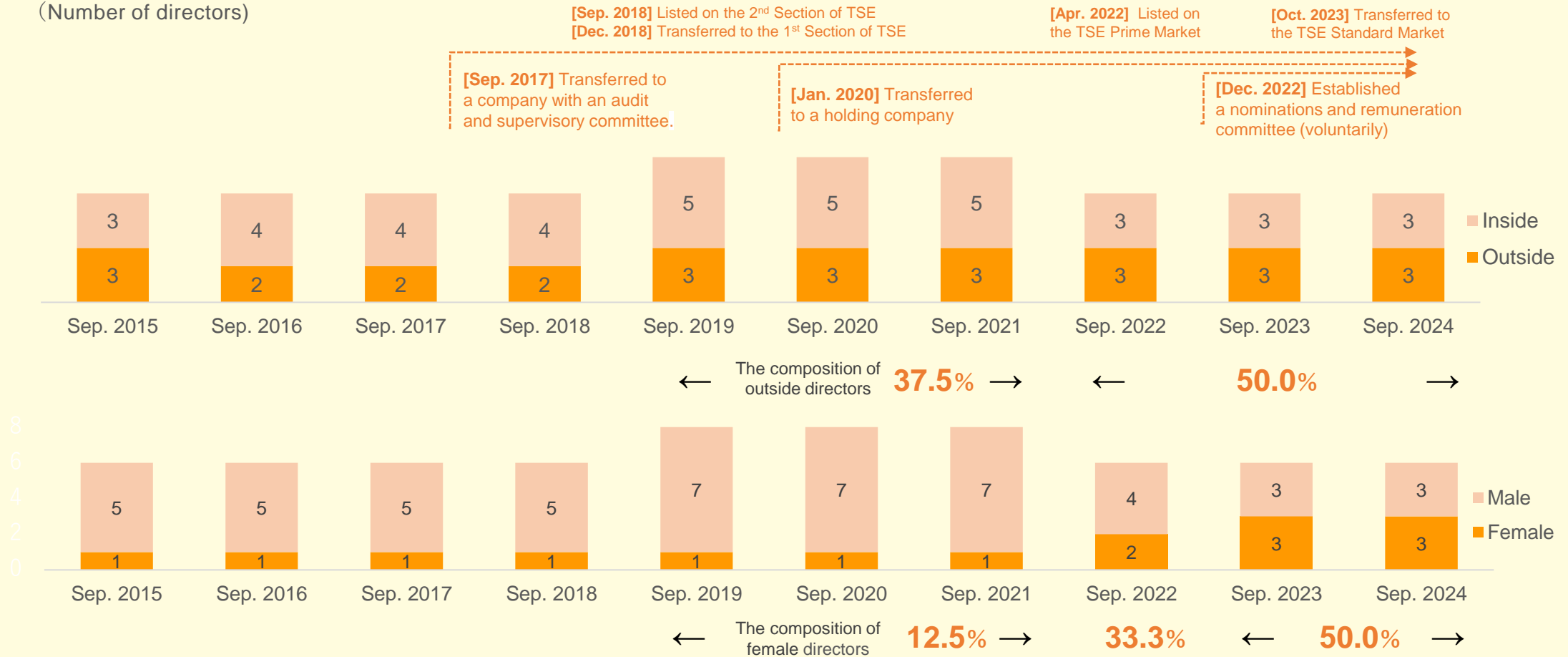


Note: ROIC is calculated by dividing net operating profit after tax(NOPAT) by weighed average invested capital, consisting of debt and shareholders' equity.

Corporate Governance

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

(Number of directors)



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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