



**SUNNY SIDE UP GROUP Inc.**

**FY2024 2Q Consolidated Financial Results**

for the Six Months Ended December 31, 2024

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# FY2024 2Q Consolidated Financial Results

for the Six Months from July 1, 2024 to December 31, 2024

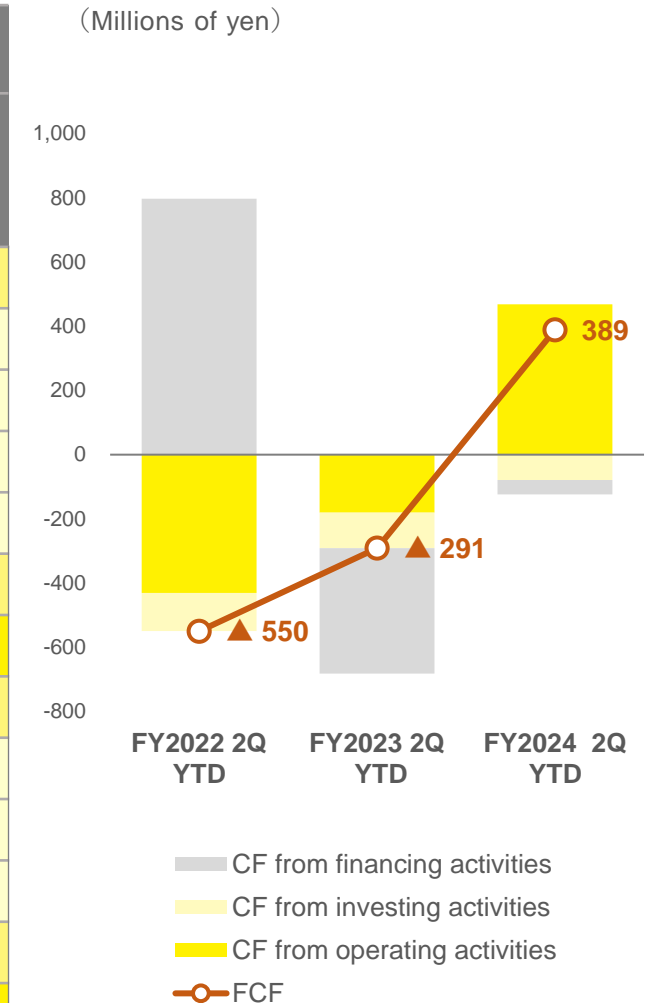
(Millions of yen)

	FY2023 2Q YTD	FY2024 2Q YTD	Changes YoY	Approximate values based on the previous year*	FY2024 Full-year Forecasts (disclosed on August 13, 2024)	Rate of Progression	Approximate rate based on the previous year*
Net Sales	9,179	9,890	+ 7.7%	—	18,500	53.5%	—
Operating Profit (Operating Profit Margin)	997 (10.9%)	877 (8.9%)	▲12.1% (▲2.0pt)	935 (9.5%)	1,650 (8.9%)	53.2%	56.7%
Ordinary Profit	1,004	882	▲12.2%	940	1,660	53.1%	56.7%
Profit Attributable to Owners of Parent	601	567	▲5.5%	—	960	59.1%	—
Earnings per Share (¥)	40.29	38.05	—	—	64.34	—	—

Note: \*The figures are estimated based on the same amount of provision for employee bonuses as the pervious year. .

## Consolidated Balance Sheet & Cash Flows

	As of June 30, 2024		As of December 31, 2024		
	Millions of yen	Percentage	Millions of yen	Percentage	Differences from the previous fiscal year
<b>Current Assets</b>	<b>6,549</b>	<b>77.3%</b>	<b>8,500</b>	<b>81.3%</b>	<b>+1,951</b>
Cash and deposits	3,185	37.6%	3,525	33.7%	+340
Account receivable –trade	2,494	29.4%	4,227	40.4%	+1,733
Costs on service contracts in progress	306	3.6%	469	4.5%	+162
Other	563	6.6%	277	2.7%	▲285
<b>Non-current Assets</b>	<b>1,923</b>	<b>22.7%</b>	<b>1,959</b>	<b>18.7%</b>	<b>+36</b>
<b>Total Assets</b>	<b>8,472</b>	<b>100.0%</b>	<b>10,460</b>	<b>100.0%</b>	<b>+1,987</b>
<b>Total Liabilities</b>	<b>4,336</b>	<b>51.2%</b>	<b>5,985</b>	<b>57.2%</b>	<b>+1,648</b>
Account payable-trade	1,515	17.9%	3,282	31.4%	+1,767
Debts	991	11.7%	1,185	11.3%	+193
Other	1,829	21.6%	1,517	14.5%	▲312
<b>Total Net assets</b>	<b>4,136</b>	<b>48.8%</b>	<b>4,474</b>	<b>42.8%</b>	<b>+338</b>
<b>Total Liabilities and Net Assets</b>	<b>8,472</b>	<b>100.0%</b>	<b>10,460</b>	<b>100.0%</b>	<b>+1,987</b>



## FY2024 2Q Performance by Segment

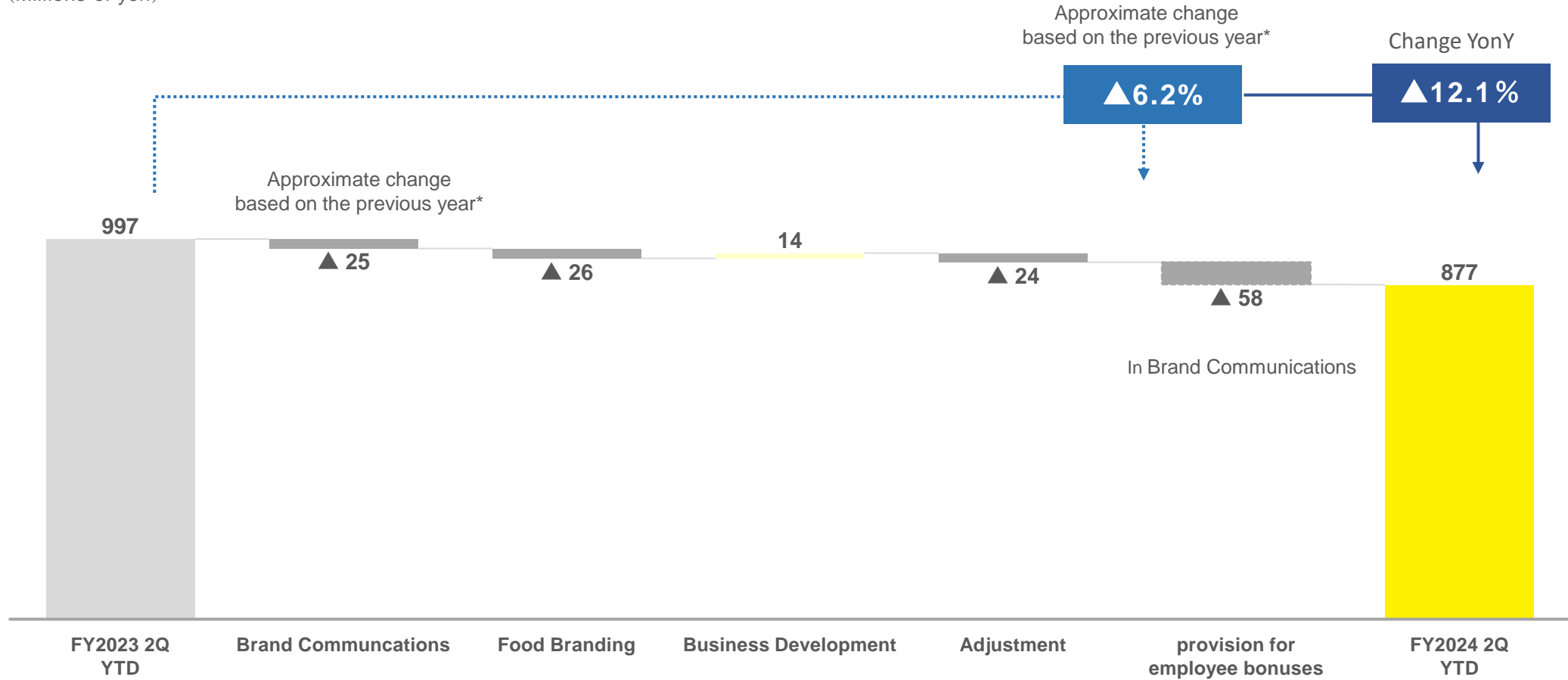
(Millions of yen)

	Net Sales			Operating Profit (Operating profit margin)			
	FY2023 2Q YTD	FY2024 2Q YTD	Changes YonY	FY2023 2Q YTD	FY2024 2Q YTD	Changes YonY	Approximate values based on the previous year*
Brand Communications	7,444	8,201	+ 10.2%	1,463 (19.7%)	1,379 (16.8%)	▲5.7% (▲2.8pt)	1,437 (17.5%)
Food Branding	1,648	1,664	+ 1.0%	72 (4.4%)	45 (2.8%)	▲36.6% (▲1.6pt)	45 (2.8%)
Business Development	86	25	▲70.6%	▲3	11 (44.2%)	—	11 (44.2%)
Adjustment	—	—	—	▲534	▲559	—	▲559

Note: \*The figures are estimated based on the same amount of provision for employee bonuses as the pervious year. .

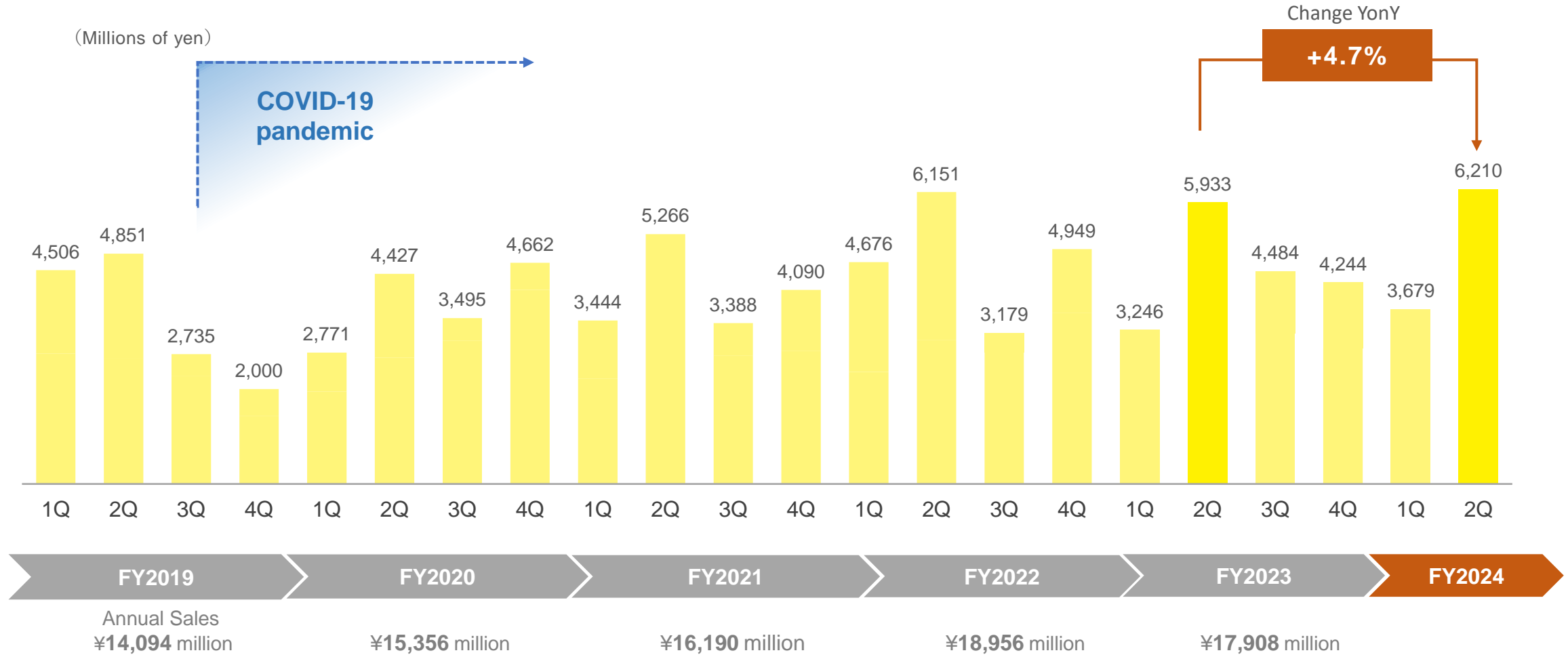
# Change in 2Q Operating Profit

(Millions of yen)



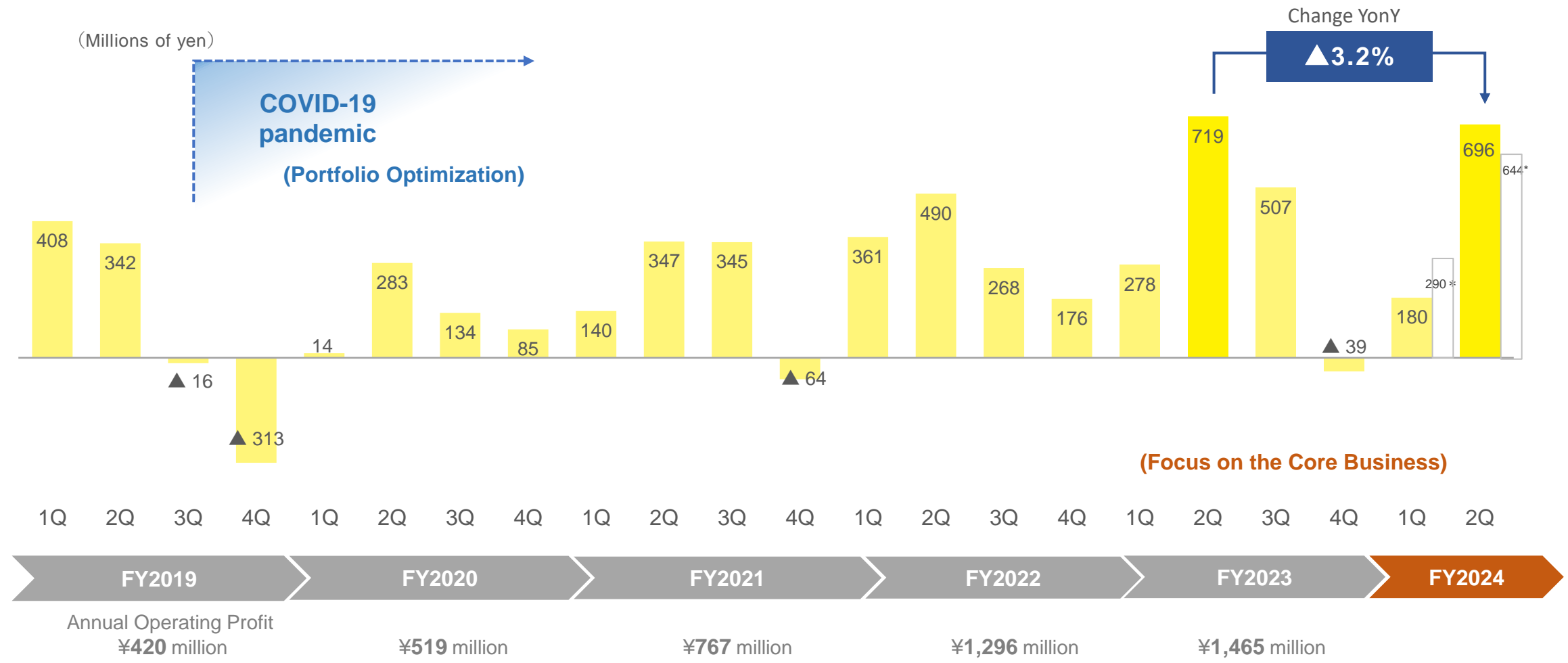
Note: \*The figures are estimated based on the same amount of provision for employee bonuses as the pervious year. .

# 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 are estimated based on the same amount of provision for employee bonuses as the pervious year.

# FY2024 Full-year Forecasts

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

(Millions of Yen)

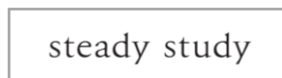
	FY2023 Full-year Results	FY2024 Full-year Forecasts	Changes YoY
Net Sales	17,908	<b>18,500</b>	<b>+3.3%</b>
Operating Profit (Operating Profit Margin)	1,465 (8.2%)	<b>1,650</b> (8.9%)	<b>+12.6%</b> (+0.7pt)
Recurring Profit	1,501	<b>1,660</b>	<b>+10.6%</b>
Profit Attributable to Owners of Parent	795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



# Business Segments

## Business Segments

### Brand Communications



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



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

### Net Sales

**2Q ¥ 5,365 million / YTD ¥ 8,201 million**

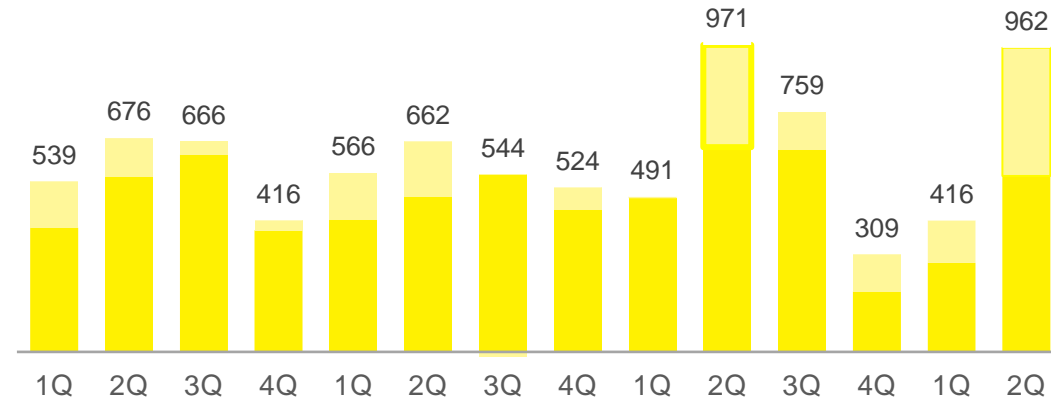
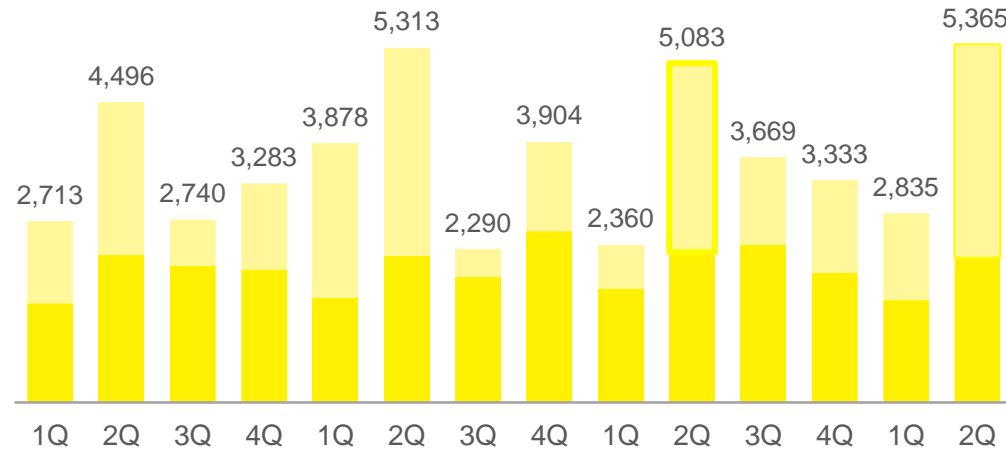
### Operating Profit

**2Q ¥ 962 million / YTD ¥ 1,379 million**

(Millions of yen)

■ PR ■ Sales Promotion & Product Planning

■ PR ■ Sales Promotion & Product Planning



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



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

## 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	2Q
<b>Quarterly Sales</b>														
PR	1,485	<b>2,211</b>	2,052	1,994	1,562	<b>2,198</b>	1,884	2,562	1,707	<b>2,249</b>	2,360	1,945	<b>1,534</b>	<b>2,167</b>
Sales Promotion & Product Planning	1,227	<b>2,285</b>	687	1,289	2,316	<b>3,114</b>	405	1,341	653	<b>2,834</b>	1,308	1,388	<b>1,301</b>	<b>3,198</b>
<b>Total</b>	<b>2,713</b>	<b>4,496</b>	<b>2,740</b>	<b>3,283</b>	<b>3,878</b>	<b>5,313</b>	<b>2,290</b>	<b>3,904</b>	<b>2,360</b>	<b>5,083</b>	<b>3,669</b>	<b>3,333</b>	<b>2,835</b>	<b>5,365</b>
<b>YTD Sales</b>														
PR	1,485	<b>3,697</b>	5,750	7,744	1,562	<b>3,760</b>	5,645	8,207	1,707	<b>3,956</b>	6,317	8,263	<b>1,534</b>	<b>3,702</b>
Sales Promotion & Product Planning	1,227	<b>3,512</b>	4,200	5,489	2,316	<b>5,431</b>	5,836	7,178	653	<b>3,487</b>	4,796	6,184	<b>1,301</b>	<b>4,499</b>
<b>Total</b>	<b>2,713</b>	<b>7,210</b>	<b>9,950</b>	<b>13,234</b>	<b>3,878</b>	<b>9,191</b>	<b>11,481</b>	<b>15,385</b>	<b>2,360</b>	<b>7,444</b>	<b>11,113</b>	<b>14,447</b>	<b>2,835</b>	<b>8,201</b>

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.

# Brand Communications Sales by Industry

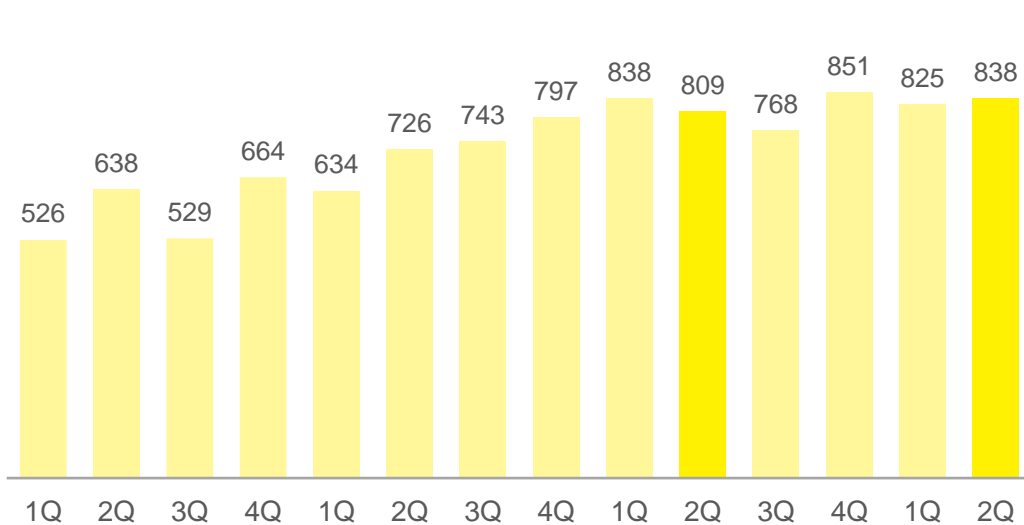


# Food Branding Quarterly Trends

**Net Sales**

**2Q ¥ 838 million / YTD ¥ 1,664 million**

(Millions of yen)



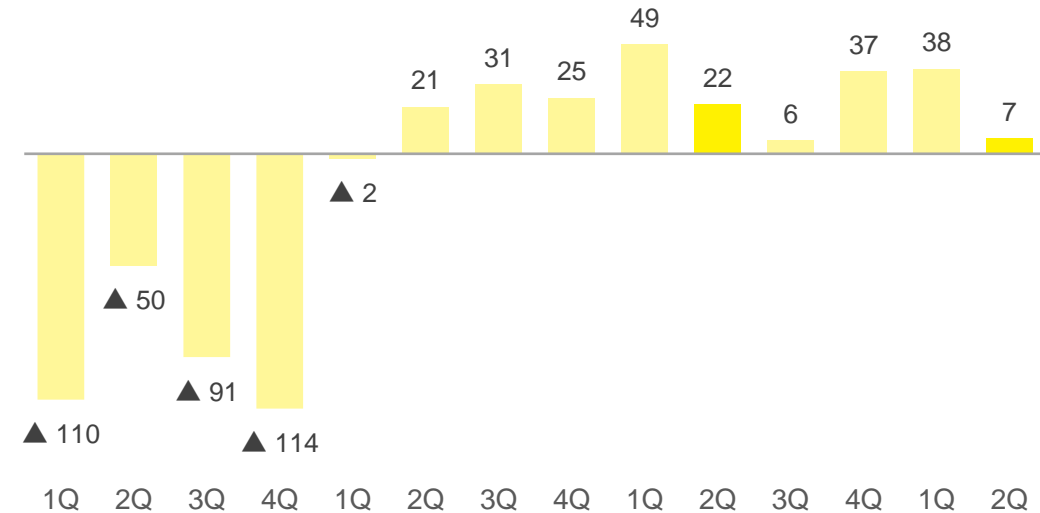
Annual Sales  
¥2,359 million

¥2,901 million

¥3,268 million

**Operating Profit**

**2Q ¥ 7 million / YTD ¥ 45 million**



Annual Operating Profit (Loss)  
¥▲366 million

¥76 million

¥116 million

# Business Development Quarterly Trends

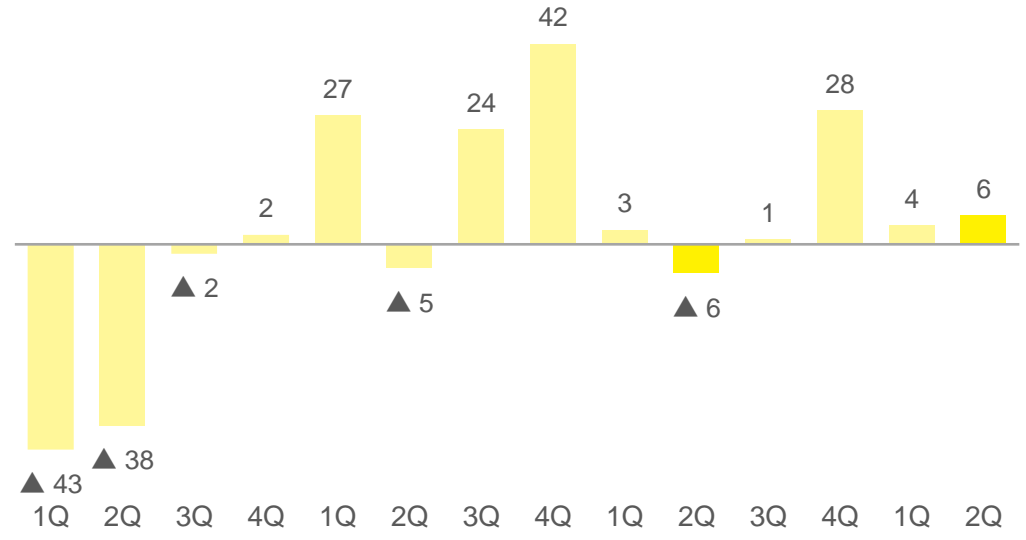
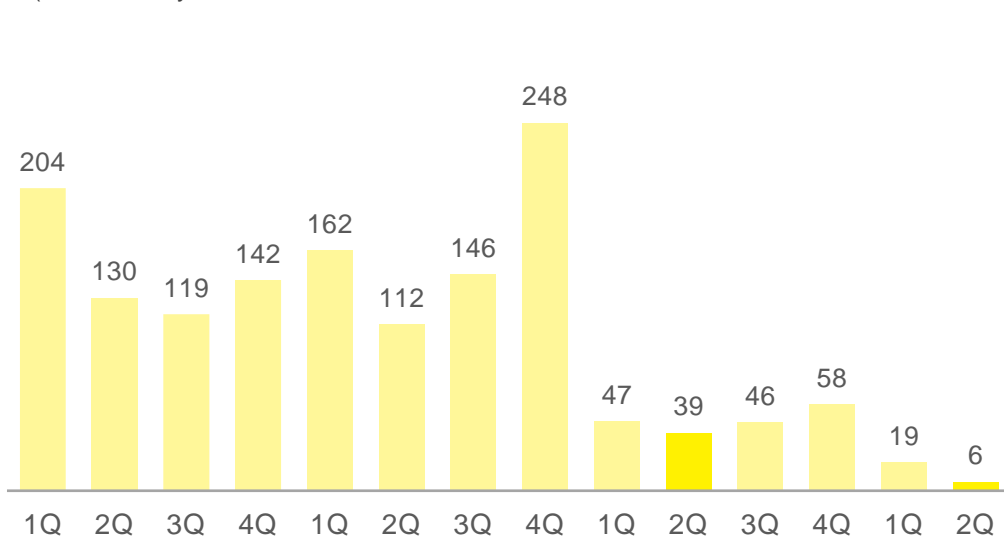
**Net Sales**

**2Q ¥ 6 million / YTD ¥ 25 million**

**Operating Profit**

**2Q ¥ 6 million / YTD ¥ 11 million**

(Millions of yen)



# 11-year Consolidated Financial Highlights

(Millions of yen)

	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023
<b>Sales and Profit</b>											
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
<b>Cash Flows</b>											
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
<b>Consolidated Financial Position</b>											
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
<b>CAPEX and Depreciations</b>											
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
<b>Share Information</b>												
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%
<b>Performance per Share</b>												
							*	*				
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
<b>Financial Indicators</b>												
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
<b>Employees</b>												
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

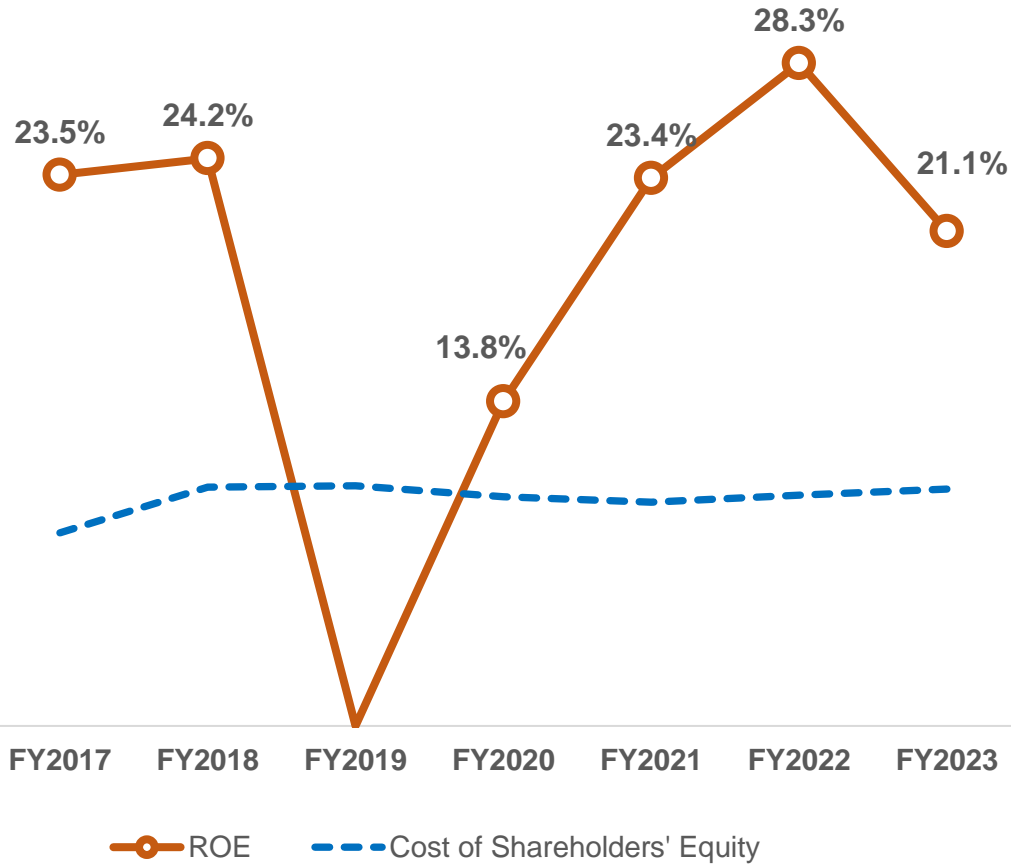
(Millions of yen)

	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY'2019	FY2020	FY2021	FY2022	FY2023			
<b>Net Sales</b>	Business Segments until FY2019							Retrospective application	Business Segments until FY2022					
Communications <sup>①</sup>	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 <sup>①</sup>	
Sports <sup>②</sup>	923	804	1,068	1,302	1,278	1,366	1,080							
SP・MD <sup>③</sup>	3,930	2,313	3,531	2,588	1,451	1,234	1,389	4,984	3,644	5,489	7,178			Sales Activation <sup>②</sup>
“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	
<b>Operating Profit</b>	Business Segments until FY2019							Retrospective application	Business Segments until FY2022					
Communications <sup>①</sup>	550	694	666	595	715	996	1,162	968	1,284	1,954	1,917	2,532	Brand Communications Marketing & Communications <sup>①</sup>	
Sports <sup>②</sup>	76	73	140	172	178	237	288							
SP・MD <sup>③</sup>	-111	-110	294	34	-150	2	2	514	310	344	380			Sales Activation <sup>②</sup>
“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	

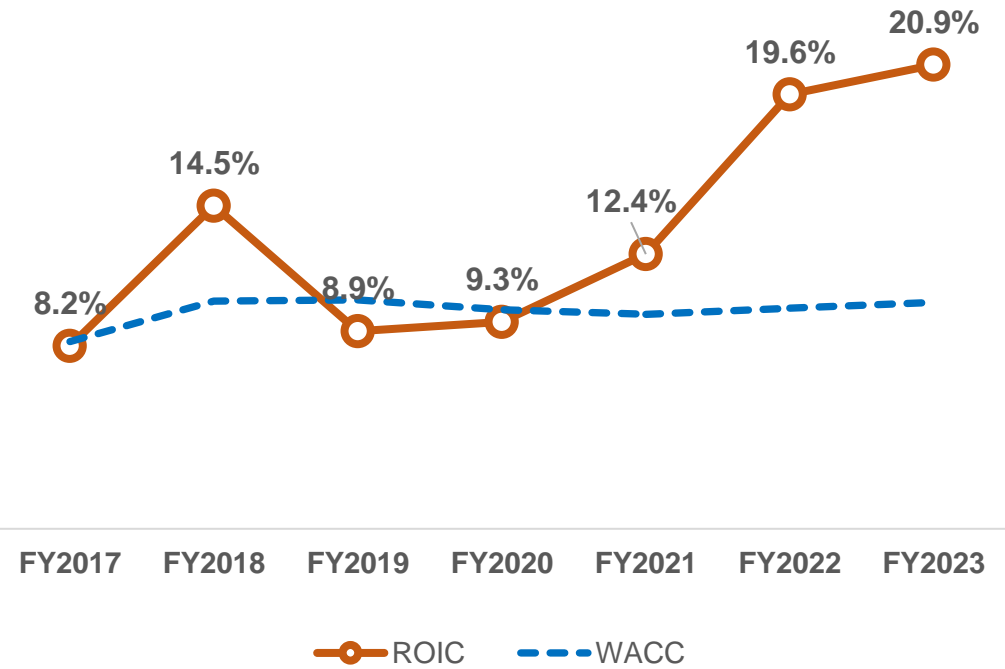
Note: The Company has applied the “Accounting Standard for Revenue Recognition” (ASBJ Statement No.29, March 31, 2020) and relevant ASBJ regulations from the beginning of the first three months of FY2021.

# 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)

[Sep. 2018] Listed on the 2<sup>nd</sup> Section of TSE  
 [Dec. 2018] Transferred to the 1<sup>st</sup> Section of TSE

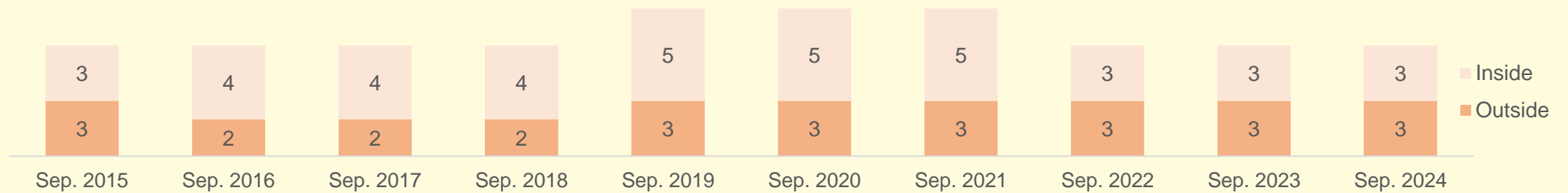
[Apr. 2022] Listed on the TSE Prime Market

[Oct. 2023] Transferred to the TSE Standard Market

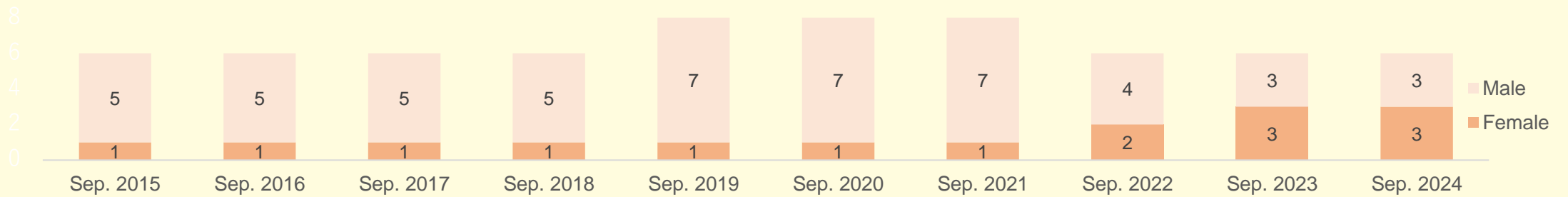
[Sep. 2017] Transferred to a company with an audit and supervisory committee.

[Jan. 2020] Transferred to a holding company

[Dec. 2022] Established a nominations and remuneration committee (voluntarily)



← The composition of outside directors **37.5%** → ← **50.0%** →



← The composition of female directors **12.5%** → **33.3%** ← **50.0%** →

# Make World Better

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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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