August 13, 2026

Consolidated Financial Results for the Fiscal Year Ended June 30, 2026 (Under Japanese GAAP)

Company name: SUNNY SIDE UP GROUP Inc.
Listing: Tokyo Stock Exchange
Securities code: 2180
URL: https://www.ssu.co.jp/
Representative: Etsuko Tsugihara, President
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Scheduled date of annual general meeting of shareholders: September 25, 2026
Scheduled date to commence dividend payments: -
Scheduled date to file annual securities report: September 30, 2026
Preparation of supplementary material on financial results: Yes
Holding of financial results briefing: None

Yen amounts are rounded down to millions, unless otherwise noted.

1. Consolidated financial results for the fiscal year ended June 30, 2026 (from July 1, 2025 to June 30, 2026)

(1) Consolidated operating results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
June 30, 2026	26,229	33.9	2,225	39.3	2,220	35.7	(369)	-
June 30, 2025	19,587	9.4	1,597	9.0	1,635	9.0	948	19.3

Note: Comprehensive income For the fiscal year ended June 30, 2026: ¥(344) million [(138.0)%]
For the fiscal year ended June 30, 2025: ¥905 million [26.3%]

	Basic earnings per share	Diluted earnings per share	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
Fiscal year ended	Yen	Yen	%	%	%
June 30, 2026	(25.05)	-	(8.9)	21.3	8.5
June 30, 2025	63.58	-	22.3	17.3	8.2

Reference: Share of profit (loss) of entities accounted for using equity method
For the fiscal year ended June 30, 2026: ¥(1) million
For the fiscal year ended June 30, 2025: ¥(4) million

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
June 30, 2026	10,413	3,806	35.9	252.64
June 30, 2025	10,409	4,701	43.7	304.55

Reference: Equity
As of June 30, 2026: ¥3,741 million
As of June 30, 2025: ¥4,543 million

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
June 30, 2026	305	(1,316)	221	3,890
June 30, 2025	2,186	(129)	(547)	4,639

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended June 30, 2025	-	7.00	-	15.00	22.00	328	34.6	7.2
Fiscal year ended June 30, 2026	-	11.00	-	0.00	11.00	161	-	4.4
Fiscal year ending June 30, 2027 (Forecast)							-	

3. Forecast of consolidated financial results for the fiscal year ending June 30, 2027 (from July 1, 2026 to June 30, 2027)

As stated in the "Notice of the Results of the Tender Offer by Akatsuki Corporation for the Company's Shares Certificates, etc., for Business Integration with the Company, and the Change of the Parent Company and the Largest Shareholder, the Major Shareholder," announced on June 25, 2026, and the "Notice of Extraordinary General Meeting of Shareholders Concerning the Reverse Stock Split, Abolition of the Stipulation of the Number of Shares per Unit, and Partial Amendment of the Articles of Incorporation" announced on July 17, 2026, As the Company's common stock is scheduled to be delisted after a series of procedures, the Company's earnings forecast for the fiscal year ending June 30, 2027 is not listed.

* **Notes**

(1) Significant changes in the scope of consolidation during the period: Yes
Newly included: 1 company (BILCOM Inc.)

(2) Changes in accounting policies, changes in accounting estimates, and restatement
- (i) Changes in accounting policies due to revisions to accounting standards and other regulations: None
- (ii) Changes in accounting policies due to other reasons: None
- (iii) Changes in accounting estimates: None
- (iv) Restatement: None

(3) Number of issued shares (common shares)
- (i) Total number of issued shares at the end of the period (including treasury shares)

As of June 30, 2026	15,197,600 shares
As of June 30, 2025	15,197,600 shares

- (ii) Number of treasury shares at the end of the period

As of June 30, 2026	386,256 shares
As of June 30, 2025	277,456 shares

- (iii) Average number of shares outstanding during the period

Fiscal year ended June 30, 2026	14,753,071 shares
Fiscal year ended June 30, 2025	14,920,144 shares

* Financial results reports are exempt from audit conducted by certified public accountants or an audit firm.

* Proper use of earnings forecasts, and other special matters

(Cautions on forward-looking statements, etc.)
As stated in the "Notice of the Results of the Tender Offer by Akatsuki Corporation for the Company's Shares Certificates, etc., for Business Integration with the Company, and the Change of the Parent Company and the Largest Shareholder, the Major Shareholder," announced on June 25, 2026, and the "Notice of Extraordinary General Meeting of Shareholders Concerning the Reverse Stock Split, Abolition of the Stipulation of the Number of Shares per Unit, and Partial Amendment of the Articles of Incorporation" announced on July 17, 2026, As the Company's common stock is scheduled to be delisted after a series of procedures, the Company's earnings forecast for the fiscal year ending June 30, 2027 is not listed.

(Method of accessing supplementary material on financial results)
This material will be posted on the Company's website (https://www.ssu.co.jp/ir/).

Consolidated balance sheet

(Thousands of yen)

	As of June 30, 2025	As of June 30, 2026
Assets		
Current assets		
Cash and deposits	4,655,526	3,906,065
Notes receivable - trade	85,685	-
Accounts receivable - trade	2,979,237	3,896,168
Merchandise and finished goods	32,166	17,938
Costs on service contracts in progress	486,791	237,070
Raw materials and supplies	27,898	22,409
Other	375,978	304,755
Allowance for doubtful accounts	(16,978)	(14,753)
Total current assets	8,626,305	8,369,653
Non-current assets		
Property, plant and equipment		
Buildings and structures	1,051,709	1,135,177
Accumulated depreciation	(642,900)	(776,992)
Buildings and structures, net	408,809	358,185
Machinery, equipment and vehicles	7,242	26,104
Accumulated depreciation	(1,773)	(20,289)
Machinery, equipment and vehicles, net	5,469	5,814
Leased assets	198,153	198,153
Accumulated depreciation	(152,427)	(162,561)
Leased assets, net	45,725	35,591
Other	307,430	388,779
Accumulated depreciation	(240,900)	(315,241)
Other, net	66,529	73,538
Total property, plant and equipment	526,533	473,130
Intangible assets		
Goodwill	193,284	151,866
Other	10,641	4,150
Total intangible assets	203,926	156,017
Investments and other assets		
Investment securities	177,438	157,080
Long-term loans receivable	4,352	6,382
Deferred tax assets	259,098	521,139
Leasehold and guarantee deposits	525,101	631,477
Other	145,562	168,471
Allowance for doubtful accounts	(58,540)	(69,967)
Total investments and other assets	1,053,012	1,414,584
Total non-current assets	1,783,472	2,043,731
Total assets	10,409,778	10,413,385

(Thousands of yen)

	As of June 30, 2025	As of June 30, 2026
Liabilities		
Current liabilities		
Accounts payable - trade	2,883,799	1,423,131
Short-term borrowings	180,000	-
Current portion of long-term borrowings	133,881	348,008
Lease liabilities	8,891	9,227
Income taxes payable	359,946	685,823
Provision for bonuses	299,853	538,355
Provision for bonuses for directors (and other officers)	190,356	244,600
Accrued expenses	242,483	1,039,197
Contract liabilities	327,545	165,872
Asset retirement obligations	-	5,464
Other	238,939	383,883
Total current liabilities	4,865,697	4,843,563
Non-current liabilities		
Long-term borrowings	429,535	1,308,175
Lease liabilities	35,354	26,127
Deferred tax liabilities	-	6,053
Asset retirement obligations	161,270	207,023
Other	216,858	216,300
Total non-current liabilities	843,019	1,763,680
Total liabilities	5,708,717	6,607,244
Net assets		
Shareholders' equity		
Share capital	550,551	550,551
Capital surplus	698,914	745,816
Retained earnings	3,365,039	2,610,602
Treasury shares	(130,456)	(228,698)
Total shareholders' equity	4,484,049	3,678,271
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	80,379	65,973
Deferred gains or losses on hedges	(1,639)	12,728
Foreign currency translation adjustment	(18,856)	(14,994)
Total accumulated other comprehensive income	59,883	63,707
Share acquisition rights	114,469	106
Non-controlling interests	42,658	64,056
Total net assets	4,701,060	3,806,141
Total liabilities and net assets	10,409,778	10,413,385

Consolidated statement of income

(Thousands of yen)

	Fiscal year ended June 30, 2025	Fiscal year ended June 30, 2026
Net sales	19,587,229	26,229,756
Cost of sales	14,999,472	20,091,906
Gross profit	4,587,756	6,137,850
Selling, general and administrative expenses	2,990,209	3,912,090
Operating profit	1,597,547	2,225,760
Non-operating income		
Interest income	2,937	6,489
Foreign exchange gains	15,444	2,287
Outsourcing service income	15,351	9,504
Subsidy income	32,100	9,067
Other	8,414	8,083
Total non-operating income	74,247	35,432
Non-operating expenses		
Interest expenses	8,260	13,195
Share of loss of entities accounted for using equity method	4,185	1,484
Distributions of profit or loss on silent partnerships	4,797	2,564
Consumption taxes for prior periods	4,155	-
Compensation for damage	6,164	-
Consumption Tax Difference	-	7,259
Other	8,450	16,174
Total non-operating expenses	36,013	40,677
Ordinary profit	1,635,781	2,220,515
Extraordinary income		
Gain on sale of non-current assets	684	47
Gain on sale of investment securities	1,640	-
Gain on reversal of share acquisition rights	12,888	114,363
Total extraordinary income	15,213	114,410
Extraordinary losses		
Loss on retirement of non-current assets	87	3,075
Loss on valuation of investment securities	17,678	7,807
Loss on valuation of investments in capital	5,019	5,890
Tender Offer Related Expenses	-	635,139
Impairment losses	-	1,425,899
Total extraordinary losses	22,785	2,077,812
Profit before income taxes	1,628,209	257,113
Income taxes - current	625,984	973,547
Income taxes - deferred	48,114	(368,231)
Total income taxes	674,098	605,315
Profit (loss)	954,110	(348,201)
Profit attributable to non-controlling interests	5,342	21,397
Profit (loss) attributable to owners of parent	948,768	(369,599)

Consolidated statement of comprehensive income

(Thousands of yen)

	Fiscal year ended June 30, 2025	Fiscal year ended June 30, 2026
Profit (loss)	954,110	(348,201)
Other comprehensive income		
Valuation difference on available-for-sale securities	(59,742)	(14,406)
Deferred gains or losses on hedges	(1,656)	14,367
Foreign currency translation adjustment	13,044	3,861
Total other comprehensive income	(48,355)	3,823
Comprehensive income	905,755	(344,378)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	900,413	(365,776)
Comprehensive income attributable to non-controlling interests	5,342	21,397

Consolidated statement of changes in equity

Fiscal year ended June 30, 2025

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	550,551	698,914	2,744,514	(130,456)	3,863,524
Changes during period					
Dividends of surplus			(328,243)		(328,243)
Profit (loss) attributable to owners of parent			948,768		948,768
Purchase of treasury shares					
Disposal of treasury shares					
Net changes in items other than shareholders' equity					
Total changes during period	-	-	620,525	-	620,525
Balance at end of period	550,551	698,914	3,365,039	(130,456)	4,484,049

	Accumulated other comprehensive income				Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Total accumulated other comprehensive income			
Balance at beginning of period	140,122	17	(31,900)	108,238	127,357	37,316	4,136,436
Changes during period							
Dividends of surplus							(328,243)
Profit (loss) attributable to owners of parent							948,768
Purchase of treasury shares							
Disposal of treasury shares							
Net changes in items other than shareholders' equity	(59,742)	(1,656)	13,044	(48,355)	(12,888)	5,342	(55,900)
Total changes during period	(59,742)	(1,656)	13,044	(48,355)	(12,888)	5,342	564,624
Balance at end of period	80,379	(1,639)	(18,856)	59,883	114,469	42,658	4,701,060

Consolidated statement of changes in equity

Fiscal year ended June 30, 2026

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	550,551	698,914	3,365,039	(130,456)	4,484,049
Changes during period					
Dividends of surplus			(384,837)		(384,837)
Profit (loss) attributable to owners of parent			(369,599)		(369,599)
Purchase of treasury shares				(199,947)	(199,947)
Disposal of treasury shares		46,901		101,705	148,607
Net changes in items other than shareholders' equity					
Total changes during period	-	46,901	(754,436)	(98,242)	(805,777)
Balance at end of period	550,551	745,816	2,610,602	(228,698)	3,678,271

	Accumulated other comprehensive income				Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Total accumulated other comprehensive income			
Balance at beginning of period	80,379	(1,639)	(18,856)	59,883	114,469	42,658	4,701,060
Changes during period							
Dividends of surplus							(384,837)

Profit (loss) attributable to owners of parent							(369,599)
Purchase of treasury shares							(199,947)
Disposal of treasury shares							148,607
Net changes in items other than shareholders' equity	(14,406)	14,367	3,861	3,823	(114,363)	21,397	(89,141)
Total changes during period	(14,406)	14,367	3,861	3,823	(114,363)	21,397	(894,919)
Balance at end of period	65,973	12,728	(14,994)	63,707	106	64,056	3,806,141

Consolidated statement of cash flows

(Thousands of yen)

	Fiscal year ended June 30, 2025	Fiscal year ended June 30, 2026
Cash flows from operating activities		
Profit before income taxes	1,628,209	257,113
Depreciation	114,764	141,090
Amortization of goodwill	41,418	65,989
Increase (decrease) in allowance for doubtful accounts	14,988	9,202
Increase (decrease) in provision for bonuses	(7,641)	238,501
Increase (decrease) in provision for bonuses for directors (and other officers)	50,456	54,243
Interest and dividend income	(2,937)	(6,784)
Interest expenses	8,260	13,195
Share of loss (profit) of entities accounted for using equity method	4,185	1,484
Foreign exchange losses (gains)	31,717	(40,617)
Subsidy income	(32,100)	(9,067)
Fiduciary obligation fee	(15,351)	(9,504)
Consumption Tax Difference	-	7,259
Tender Offer Related Expenses	-	635,139
Loss (gain) on sale of non-current assets	(684)	(47)
Loss on retirement of non-current assets	87	3,075
Impairment losses	-	1,425,899
Loss (gain) on sale of investment securities	(1,640)	-
Loss (gain) on valuation of investment securities	17,678	7,807
Loss on valuation of investments in capital	5,019	5,890
Dividends distribution from silent partnership	4,797	2,564
Gain on reversal of share acquisition rights	(12,888)	(114,363)
Decrease (increase) in trade receivables	(493,217)	(615,945)
Decrease (increase) in inventories	(214,070)	269,326
Decrease (increase) in advance payments to suppliers	(110,473)	181,735
Decrease (increase) in other assets	126,966	(51,874)
Increase (decrease) in trade payables	1,369,183	(1,572,031)
Increase (decrease) in accounts payable - other	(14,061)	(629,951)
Increase (decrease) in accrued consumption taxes	90,900	103,651
Increase (decrease) in contract liabilities	164,094	(207,467)
Increase (decrease) in other liabilities	(39,069)	798,838
Subtotal	2,728,589	964,353
Interest and dividends received	2,730	6,990
Interest paid	(8,255)	(14,522)
Proceeds from fiduciary obligation fee	16,413	9,254
PaymentsForTenderOfferRelatedExpenses	-	(14,613)
Income taxes paid	(645,917)	(668,905)
Subsidies received	32,100	9,067
Income taxes refund	61,102	14,183
Net cash provided by (used in) operating activities	2,186,763	305,807

(Thousands of yen)

	Fiscal year ended June 30, 2025	Fiscal year ended June 30, 2026
Cash flows from investing activities		
Purchase of property, plant and equipment	(134,045)	(68,577)
Proceeds from sale of property, plant and equipment	4,529	74
Purchase of intangible assets	(233)	(6,765)
Proceeds from collection of loans receivable	1,869	1,769
Loan advances	-	(5,000)
Payments of leasehold and guarantee deposits	(309)	(25,813)
Proceeds from refund of leasehold and guarantee deposits	6,786	60
Purchase of shares of subsidiaries and associates	-	(3,340)
Purchase of shares of subsidiaries resulting in change in scope of consolidation	-	(1,188,866)
Proceeds from sale of short-term and long-term investment securities	21,606	-
Proceeds from share of profits on investments in capital	10	-
Payments for investments in capital	(30,000)	(20,000)
Net cash provided by (used in) investing activities	(129,786)	(1,316,458)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(56,000)	(180,000)
Proceeds from long-term borrowings	-	1,200,000
Repayments of long-term borrowings	(157,381)	(204,251)
Purchase of treasury shares	-	(199,947)
Dividends paid	(328,297)	(385,023)
Repayments of lease liabilities	(5,641)	(8,891)
Net cash provided by (used in) financing activities	(547,321)	221,884
Effect of exchange rate change on cash and cash equivalents	(39,347)	39,304
Net increase (decrease) in cash and cash equivalents	1,470,308	(749,460)
Cash and cash equivalents at beginning of period	3,169,418	4,639,726
Cash and cash equivalents at end of period	4,639,726	3,890,265

(Notes on segment information, etc.)

Segment Information

1. Overview of Reporting Segments

The Group's reporting segments are those of the constituent units of the Group for which segregated financial information is available and are subject to periodic review by the Board of Directors of the Company in order to determine the allocation of management resources and evaluate business performance.

Based on financial information consisting of the Company and its consolidated subsidiaries, the Group conducts business activities in units classified by business type.

Accordingly, the Group has identified three reporting segments based on the type of business: Brand Communication, Food Branding, and Business Development.

2. Method of calculating the amount of sales, profits or losses, assets, liabilities and other items for each reporting segment

The method of accounting for the reported business segments is in accordance with the accounting policy adopted to prepare consolidated financial statements.

Profit in the reporting segment is a figure based on operating income.

Internal revenues and transfers between segments are based on prevailing market prices.

3. Information on the amount of sales, profits or losses, assets, liabilities, and other items for each reporting segment.

The previous fiscal year (July 1, 2024 to June 30, 2025)

(Thousands of yen)

	Reportable segments				Adjustment amount (Note) 1, 2, 3	Amount recorded in consolidated financial statements (Note)4
	brand communication segment	food branding segment	business development segment	Total		
Sales						
Revenues from external customers	16,225,178	3,295,478	66,572	19,587,229	-	19,587,229
Transactions with other segments	46,230	9,943	41,341	97,516	(97,516)	-
Total	16,271,409	3,305,421	107,914	19,684,745	(97,516)	19,587,229
Segment Profit	2,727,158	93,014	16,207	2,836,380	(1,238,833)	1,597,547
Segment Assets	8,033,686	925,923	192,781	9,152,391	1,257,386	10,409,778
Other items						
Amount of amortization of goodwill	41,418	-	-	41,418	-	41,418
Depreciation	53,582	29,137	19	82,738	32,026	114,764
Increase in property, plant and equipment and intangible assets	150,361	4,204	-	154,565	9,222	163,788

The current fiscal year (July 1, 2025 to June 30, 2026)

(Thousands of yen)

	Reportable segments				Adjustment amount (Note) 1, 2, 3	Amount recorded in consolidated financial statements (Note)4
	brand communication segment	food branding segment	business development segment	Total		
Sales						
Revenues from external customers	22,072,478	3,634,264	523,013	26,229,756	-	26,229,756
Transactions with other segments	49,838	5,875	6,812	62,525	(62,525)	-
Total	22,122,317	3,640,139	529,825	26,292,282	(62,525)	26,229,756
Segment Profit	3,605,670	161,496	2,668	3,769,835	(1,544,075)	2,225,760
Segment Assets	7,945,410	902,994	640,628	9,489,033	924,351	10,413,385
Other items						
Amount of amortization of goodwill	41,418	-	24,571	65,989	-	65,989
Depreciation	31,528	39,091	36,372	106,992	34,097	141,090
Increase in property, plant and equipment and intangible assets	7,618	53,410	6,769	67,799	12,059	79,858

Note: 1. The details of the adjustment amount for segment profit are as follows.

(Thousands of yen)

	The previous fiscal year	The current fiscal year
Inter-segment transaction elimination	2,124	1,579
Company-wide expenses (*)	(1,240,958)	(1,545,655)
Total	(1,238,833)	(1,544,075)

* Corporate expenses are general and administrative expenses that are not primarily attributable to the reporting segment.

2. The details of the adjustments for segment assets are as follows.

(Thousands of yen)

	The previous fiscal year	The current fiscal year
Inter-segment transaction elimination	(2,604,868)	(3,174,703)
Company-wide assets (*)	3,862,255	4,099,055
Total	1,257,386	924,351

* Company-wide assets are primarily assets related to operating funds and administrative functions that are not attributable to the reporting segment.

3. Other items

Depreciation

The amount of depreciation and amortization adjustments relates primarily to inter-segment transaction elimination and administrative assets that are not attributable to reporting segments.

Increase in property, plant and equipment and intangible assets

The adjustment for the increase in property, plant and equipment and intangible assets is primarily the amount of capital expenditures related to assets of the administrative division that are not attributable to the reporting segment.

4. Segment profit is adjusted to operating income in consolidated financial statements.

Information on impairment losses on fixed assets by reporting segment

The previous fiscal year (July 1, 2024 to June 30, 2025)

Not applicable.

The current fiscal year (July 1, 2025 to June 30, 2026)

In the Food Branding Business, as a result of taking into account the business environment and future business plans related to SUNNY SIDE UP KOREA, INC stores, we recorded an impairment loss on fixed assets of 35,585 thousand yen.

In the Business Development Business, as a result of reviewing the future business plan of BILCOM Inc.and examining the possibility of recovering fixed assets, including goodwill, we recorded an impairment loss of 1,390,313 thousand yen on fixed assets.

Information on amortization and unamortized balances of goodwill by reporting segment

The previous fiscal year (July 1, 2024 to June 30, 2025)

The amortization of goodwill for the current fiscal year was 41,418 thousand yen for the Brand Communication Business, and the unamortized balance of goodwill at the end of the current fiscal year was 193,284 thousand yen for the Brand Communication Business.

The current fiscal year (July 1, 2025 to June 30, 2026)

The amortization of goodwill in the current fiscal year was 41,418 thousand yen for the Brand Communication Business and 24,571 thousand yen for the Business Development Business, and the unamortized balance of goodwill at the end of the current fiscal year was 151,866 thousand yen for the Brand Communication Business.

Information on Negative Goodwill Accrual Gains by Reporting Segment

The previous fiscal year (July 1, 2024 to June 30, 2025)

Not applicable.

The current fiscal year (July 1, 2025 to June 30, 2026)

Not applicable.