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Security code: 2180
September 6, 2024

To Our Shareholders

Etsuko Tsugihara
President
SUNNY SIDE UP GROUP Inc.
JPR Sendagaya Building,
4-23-5 Sendagaya, Shibuya-ku, Tokyo

Notice of the 39th Annual General Meeting of Shareholders

We are pleased to announce the 39th Annual General Meeting of Shareholders of SUNNY SIDE UP GROUP Inc. (the “Company”), which will be held as indicated below.

When convening this General Meeting of Shareholders, the Company takes measures for providing information that constitutes the content of the Reference Documents for the General Meeting of Shareholders, etc. (matters for which measures for providing information in electronic format are to be taken) in electronic format, and posts this information as “Notice of the 39th Annual General Meeting of Shareholders” on the Company’s website. Please access the Company’s website by using the internet address shown below to review the information.

The Company’s website: https://ssug.co.jp/ir/stockholders_meeting/ (in Japanese)

In addition to posting matters subject to measures for electronic provision on the website above, the Company also posts this information on the website of Tokyo Stock Exchange, Inc. (TSE). To access this information from the latter website, access the internet address shown below, enter “issue name (SUNNY SIDE UP GROUP)” or “securities code (2180),” and click “Search,” and then click “Basic information” and select “Documents for public inspection/PR information.” Under “Filed information available for public inspection,” click “Click here for access” under “[Notice of General Shareholders Meeting /Informational Materials for a General Shareholders Meeting].”

TSE website (Listed Company Search):

<https://www2.jpx.co.jp/tseHpFront/JJK010010Action.do?Show=Show> (in Japanese)

If you are unable to attend on the day of the meeting, you can exercise your voting rights via the Internet or in writing (by mail). Please consider the Reference Documents for the General Meeting of Shareholders and exercise your voting rights by no later than September 24, 2024 (Tuesday), 7:00 p.m. (JST).

1. Date and Time: September 25, 2024 (Wednesday), 10:00 a.m. (JST)

2. Place: 2nd Floor, SYD Hall, Syuyoudan SYD Building
4-25-2 Sendagaya, Shibuya-ku, Tokyo

Door opens at 9:00 a.m.

3. Purpose of the Meeting:

- Matters to be reported:**
1. Business Report and Consolidated Financial Statements for the 39th fiscal year (from July 1, 2023 to June 30, 2024) and results of audits of the Consolidated Financial Statements by the financial auditor and Audit and Supervisory Committee
 2. Non-consolidated Financial Statements for the 39th fiscal year (from July 1, 2023 to June 30, 2024)

Matters to be resolved:

Proposal No. 1 Appropriation of Surplus

Proposal No. 2 Election of Three Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)

4. Matters to be decided upon convocation (Guidance on Exercising Voting Rights)

- (1) If neither approval nor disapproval of each proposal is indicated on the voting rights exercise form, the Company will deem that you indicated your approval of the proposal.
- (2) If you exercise your voting rights more than once via the Internet, only the last vote shall be deemed effective.
- (3) If you exercise your voting rights both via the Internet and in the voting rights exercise form, the vote via the Internet shall be deemed effective.



- ⊙ If attending the meeting in person, please present the voting form at the reception desk.
- ⊙ If revisions to the matters subject to measures for electronic provision arise, a notice of the revisions and the details of the matters before and after the revisions will be posted on the Company's aforementioned website and the TSE website.
- ⊙ For this General Meeting of Shareholders, paper-based documents stating matters subject to measures for electronic provision will be sent to all shareholders regardless of whether they have made a request for delivery of such documents. However, those documents do not include the following matters in accordance with the provisions of laws and regulations and Article 15 of the Company's Articles of Incorporation.
 - (i) Status of Share Acquisition Rights, etc., Status of Financial Auditor, Systems for Ensuring the Appropriateness of Business Operations and Basic Policy on Control of the Company in the Business Report
 - (ii) Notes to the Consolidated Financial Statements
 - (iii) Notes to the Non-consolidated Financial Statements

Accordingly, the Business Report, Consolidated Financial Statements and Non-consolidated Financial Statements included in the documents are part of the documents included in the scope of audits by the financial auditor and the Audit and Supervisory Committee in preparing their respective audit reports.

Reference Documents for the General Meeting of Shareholders

Proposal No. 1 Appropriation of Surplus

The Company identifies both strengthening medium- to long-term corporate value and returning profits to shareholders through dividend payments as management priorities. Based on a comprehensive consideration of various goals, including strengthening internal reserves to maintain a sound financial structure and the active development of its business, the Company seeks to pay stable dividends in light of the targeted dividend payout ratio of roughly 30% and to provide a return of profits in a flexible manner.

In accordance with the above basic policy, the Company proposes to pay year-end dividends for the 39th fiscal year as follows:

Year-end dividends

(1) Type of dividend property

To be paid in cash.

(2) Allotment of dividend property and their aggregate amount

The Company proposes to pay dividends of ¥15 per common share of the Company.

In this event, the total dividends will be ¥223,802,160.

(3) Effective date of dividends of surplus

The effective date of the dividend payment will be September 26, 2024.

Proposal No. 2 Election of Three Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)

The term of office of all three current Directors (excluding those who are Audit and Supervisory Committee Members; the same applying hereinafter within this proposal) will expire upon the conclusion of this Shareholders' Meeting.

Therefore, the Company proposes the election of three Directors.

The nominations of each candidate are based on the result of the Board of Directors consulting with the nominations and remuneration committee (voluntary committee) and considering the report of that committee.

An overview of the opinion of the Audit and Supervisory Committee regarding this proposal is as follows.

The Audit and Supervisory Committee has evaluated matters including the business performance of the fiscal year through its audit activities, and based on considerations such as the composition of the Board of Directors and the specialized knowledge and experience of each candidate, it judges that the appointment as Director of each candidate nominated in this proposal to be appropriate.

Additionally, the Audit and Supervisory Committee also deems Director remuneration to be reasonable based on a comprehensive effort to balance these figures against the roles and responsibilities of a Director, the Company's business performance, and other factors.

The candidates for Director are as follows:

Candidate No.	Name	Independence	Number of years in office	Current position and responsibility in the Company	Attendance at Board of Directors meetings
1	Etsuko Tsugihara		39 years	President	100% (20/20)
2	Norihito Watanabe		19 years	Representative Director and Vice President	100% (20/20)
3	Toru Nagai	Outside Independent	5 years	Outside Director	100% (20/20)

Candidate No.	1	Etsuko Tsugihara	(November 16, 1966)	Reelection
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Career summary, position and responsibility in the Company

July 1985 Established the Company, Director
June 1997 President (current position)
June 2021 Chair of Committee on Diversity & Inclusion, KEIDANREN (Japan Business Federation)
(current position)
Jan. 2022 Chairman of International Public Relations Association
May 2024 Vice Chair of the Board of Councillors, KEIDANREN (Japan Business Federation)
(current position)

Significant concurrent positions outside the Company Chair of Committee on Diversity & Inclusion, KEIDANREN (Japan Business Federation)
Vice Chair of the Board of Councillors, KEIDANREN (Japan Business Federation)

Number of Company shares owned
5,652,400 shares

Reasons for nomination as candidate for Director

Please close your eyes and imagine what kind of person represents a PR group company, serves as the Vice Chair of the Board of Councillors of KEIDANREN and as the Chair of Committee on Diversity & Inclusion. A descendant of a distinguished family? A returnee who graduated from Stanford University? An activist dedicated to gender equality throughout her life? Those of your attending this General Meeting of Shareholders, please open your eyes wide. Even if this isn't the first time seeing this person, there might seem to be something about that gap from expectations. Her disarming air of unconcern is accompanied by a vitality that liberates people from their shackles of convention. Be it the power to quell a couple's quarrel, the initiative shown in tough bargaining in foreign markets, breaking the stereotypical image of someone Japanese or adjusting her emotional level to win a dispute with her daughter. The fact that Ms. Tsugihara's title of President, and her previous titles that have evolved over the years inversely reflect the degree to which her demeanor has remained unchanged forces us to marvel at the amazing progress this country has made in the area of tolerance. Even upon entering an age and stage in life where one would be unsurprised to observe the onset of a calm demeanor and detached insight, her unrelenting desire to make the world more enjoyable, and her unwitting demeanor as a change-maker—someone one could imagine to be secretly disarming conflicts at the frontlines—have led us to deem again that she is indispensable to the Group and nominate her as a candidate for Director.

Candidate No.	2	Norihito Watanabe	(March 2, 1968)	Reelection
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Career summary, position and responsibility in the Company

May 1997	Registered as tax accountant
June 1997	Audit & Supervisory Board Member of the Company
July 2005	Director of the Company
Sept. 2006	Representative Director and Vice President of the Company (current position)
July 2012	Representative Director of Kumnamu Entertainment, Inc. (current position)
Dec. 2013	Representative Director of SUNNY SIDE UP KOREA, INC (current position)
July 2017	Representative Director and Chairman of FLYPAN, INC. (current position)
Mar. 2020	Representative Director of steady study Ltd. (current position)
Mar. 2022	Outside Director of Agent Insurance Group, Inc. (current position)

Significant concurrent positions outside the Company Outside Director of Agent Insurance Group, Inc.

Number of Company shares owned 757,500 shares
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Reasons for nomination as candidate for Director

Following a career as a tax accountant, Mr. Norihito Watanabe joined the Company in its early days and has dedicated himself to building its business base by making sound judgements backed by numbers, even if they were not initially guaranteed to be successful. These include implementing the Company's IPO, creating the "bills" Business (now the Food Branding Business), changing the Company's market section of listing to the Tokyo Stock Exchange's First Section, and carrying out M&A. Moreover, he has also made a huge contribution to the Company in terms of business through his unique set of connections in the finance world. The Company believes he continues to be an essential member in order for the continual achievement of the sustainable growth and enhanced corporate value of the holding company and the Group while being a presence who warmly watches over Ms. Tsugihara's activities when she becomes the reckless embodiment of "having fun," and has therefore nominated him as a candidate for Director.

Candidate No.	3	Toru Nagai	(April 5, 1962)	Reelection Outside Independent
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Career summary, position and responsibility in the Company

Apr. 1989	Joined Daiwa Securities Co. Ltd.
Jan. 1996	Joined Morgan Stanley Japan Limited (currently Morgan Stanley MUFG Securities Co., Ltd.)
Dec. 2000	Managing Director of Morgan Stanley Japan Limited
Sept. 2003	Managing Director of Morgan Stanley Japan Limited, General Manager of Stock Research (currently Head of Research)
June 2008	Established NGI Consulting Co., Ltd. and Representative Director (current position)
July 2009	Director and Supervisor of Investigation of Advanced Research Japan Company Limited.
Dec. 2009	Representative Director of ARJ Strategic Advisory Co., Ltd.
June 2015	Director, Manager of Omega Strategy, and in charge of corporate strategy and Investor Relations of R.C.CORE CO., LTD.
Aug. 2015	Representative Director and President of Pheasant Time Share Management Co., Ltd.
Sept. 2019	Outside Director of the Company (current position)
Apr. 2020	Senior Advisor of Lincoln International LLC (current position)
Apr. 2022	Guest Associate Professor at Digital Hollywood University (Specially Appointed Associate Professor since 2024) (current position)

Significant concurrent positions outside the Company Representative Director of NGI Consulting Co., Ltd.

Number of Company shares owned 47,800 shares

Reasons for nomination as candidate for Outside Director and outline of expected role

Mr. Toru Nagai has broad knowledge and extensive experience related to the finance field from his track record in the securities industry. In addition to this, his opinions, that come from an objective standpoint independent of the management that executes business, are severe and relentless enough to even make both representative directors wince on occasion, while he is able to positively sublimate the essence of ideas generated within the Company. He is expected to provide advice particularly when scrutinizing business plans, evaluating various investment plans, and formulating capital policy and shareholder return measures and also provide reports and advice based on his in-depth insight as the chairperson of the nominations and remuneration committee (voluntary committee). The Company believes that Mr. Nagai's experience and track record, along with this appropriate level of distance and relationship with both representatives are essential from the perspective of appropriate decision making and overall management oversight for strengthening the functions of the Board of Directors, and has therefore nominated him as a candidate for Outside Director.

- (Notes)
1. There is no special interest between any of the candidates for Director and the Company.
 2. Toru Nagai is a candidate for Outside Director.
 3. The Company has notified the Tokyo Stock Exchange, Inc. that Toru Nagai has been designated as an independent officer, as provided for by the aforementioned exchange. If the reelection of Mr. Nagai is approved in this Shareholders' Meeting, the Company plans for his designation as an independent officer to continue.
 4. Toru Nagai provides extensive knowledge of the securities industry gained through a career in which he has served as Managing Director, Head of Equity Research, and Head of the Research Division at Morgan Stanley Japan Limited. He is expected to provide advice from an objective standpoint independent of management that executes business. On that basis, the Company has requested his appointment as Outside Director. His tenure as Outside Director has been five years.
 5. Pursuant to the provisions of Article 427, paragraph (1) of the Companies Act and the Articles of Incorporation, the Company has entered into agreements with Toru Nagai to limit his liability for damages under Article 423, paragraph (1) of the Companies Act. If the reelection of Mr. Nagai is approved in this Shareholders' Meeting, the Company plans to renew the aforementioned agreements

with him. The maximum amount of liability for damages under these agreements is the minimum liability amount provided for by Article 425, paragraph (1) of the same Act.

6. The Company has entered into a directors and officers liability insurance policy, which includes all Directors as the insured with an insurance company. A summary of the agreement is provided in 2. Current status of the Company, (2) Directors and Audit and Supervisory Committee Members of the Company of the Business Report (in Japanese only). If the reelection of each candidate is approved, the Company plans to include each of them as an insured in the liability insurance policy.

(Reference)

Skill Matrix of Directors and Directors who are Audit and Supervisory Committee Members

(assuming the appointment of each candidate for Director nominated at this Shareholders' Meeting)

Legend: Primary skill ◎, secondary skill ○

Name	Position and responsibility in the Company	Independence	Major Backgrounds of Outside Officer	Main Expertise					
				Corporate Management	Global Experience	ESG/Sustainability	Finance	Legal Labor Human Resources Development	Risk management/Compliance
Director									
Etsuko Tsugihara	Representative Director			◎	◎	◎		○	○
Norihito Watanabe	Representative Director			◎	◎		◎		
Toru Nagai	Outside Director	○	Securities Analyst	○	◎	○	◎		
Directors who are Audit and Supervisory Committee Members									
Akira Shirai	Audit and Supervisory Committee Member (Full-time)			○		○			◎
Mari Fujii	Audit and Supervisory Committee Member (Outside)	○	Attorney					○	◎
Keiko Hattori	Audit and Supervisory Committee Member (Outside)	○	Certified Public Accountant				◎		○

(Note) This table does not represent all the skills possessed by each Director and Audit and Supervisory Committee Member.