

Cross Marketing Group Inc.

Presentation material for Investors

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FY6/2025 Q3 Financial Results Outline

Summary 1

 Q1-Q3 revenue of 22.27 billion yen (up 15%) and operating profit of 2.37 billion yen (up 40%)

· Revenue reached a record high. Gross profit increased in all segments

Summary

 Digital Marketing: Both existing businesses and new consolidated companies performed strongly. Segment profit up 28%

 Data Marketing: Domestic demand remained strong, and overseas revenue recovered. Segment profit up 40%

• Insight: Revenue dropped due to struggles in some areas, but profit margin improved. Segment profit up 11%

Summary

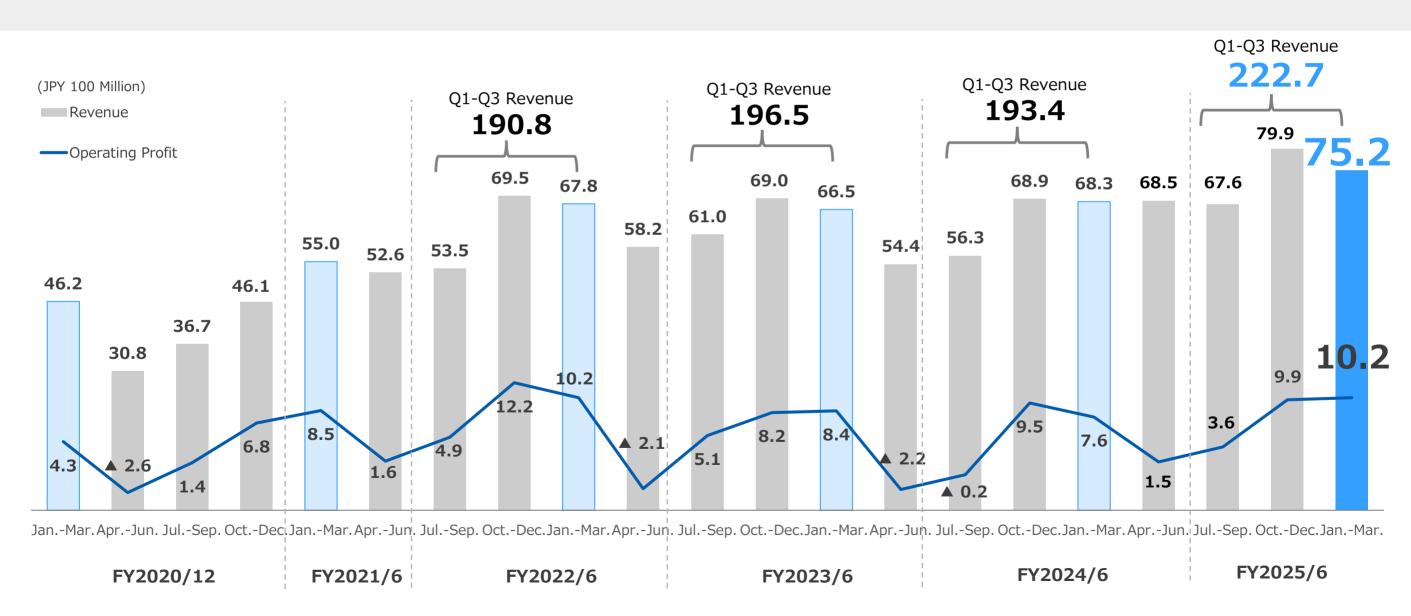
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No change to FY2025/6 full-year performance forecast

Aiming for revenue of 30 billion yen and operating profit of 3 billion yen

Quarterly Fluctuations in Revenue and Operating Profit

FY2025/6: Revenue reached a record high for a Q1-Q3 period Seasonal factors continue to play a role, but our earnings base is steadily expanding



Financial Results for FY2025/6 Q3

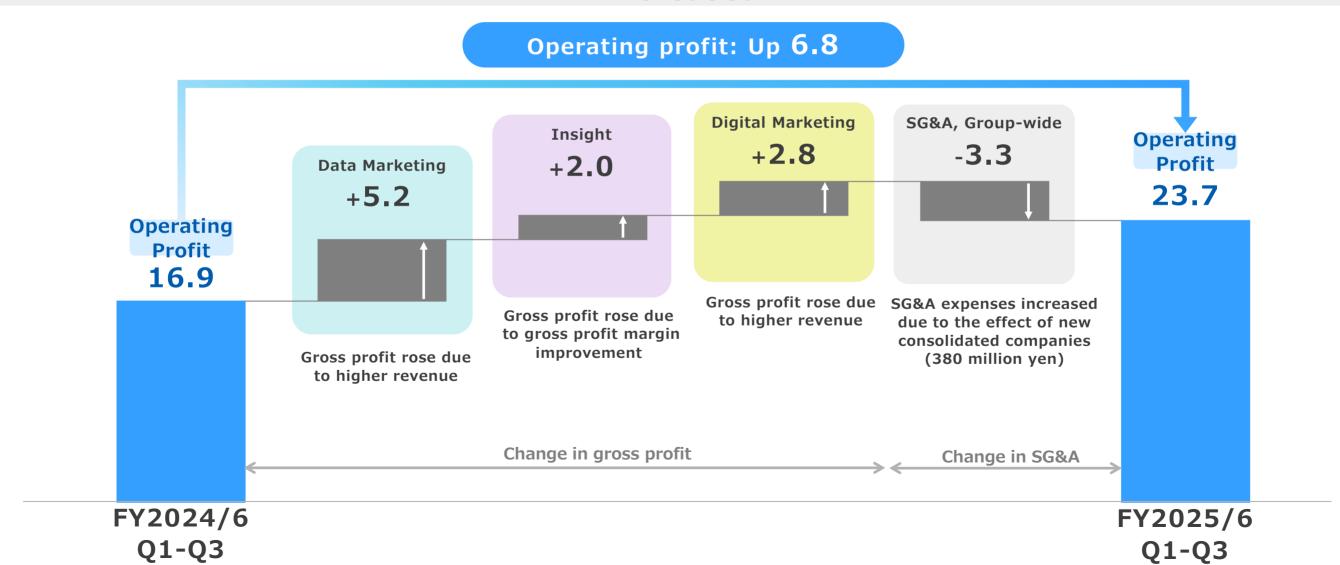
Digital Marketing and Data Marketing drove revenue and profit growth Operating profit increased significantly due to higher revenue and the streamlining of SG&A expenses

	FY2024/6	FY2025/6	
(JPY 100 Million)	Q1-Q3 (JulMar.)	Q1-Q3 (JulMar.)	YoY Growth Rate
Revenue	193.4	222.7	+15%
Digital Marketing Business	77.2	94.4	+22%
Data Marketing Business	65.2	79.6	+22%
Insight Business	51.0	48.8	-4%
Gross Profit (Gross Profit Margin)	77.6 (40.1%)	87.6 (39.3%)	+13% (-0.8pt)
SG&A (SG&A Ratio)	60.7 (31.4%)	63.9 (28.7%)	+5% (-2.7pt)
Operating Profit (Operating Profit Margin)	16.9 (8.7%)	23.7 (10.6%)	+40% (+1.9pt)

Factors Behind Fluctuations in Operating Profit (YoY)

Gross profit increased in all segments thanks to higher revenue due to the effect of business expansion and an improvement in gross profit margin

This absorbed the higher SG&A of new consolidated companies, and operating profit increased

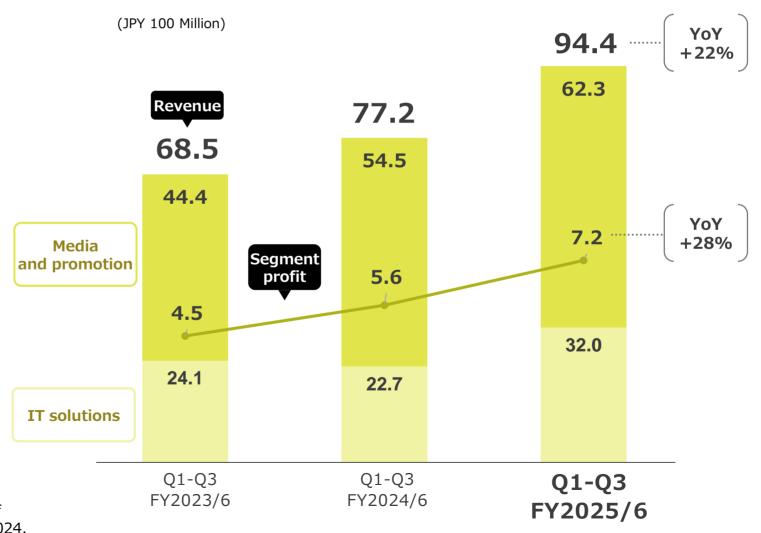


Digital Marketing Business

Revenue of 9.44 billion yen (up 22%) and operating profit of 0.72 billion yen (up 28%) High-growth domains such as influencer marketing were the driver, with new consolidated companies also having an effect

Highlights

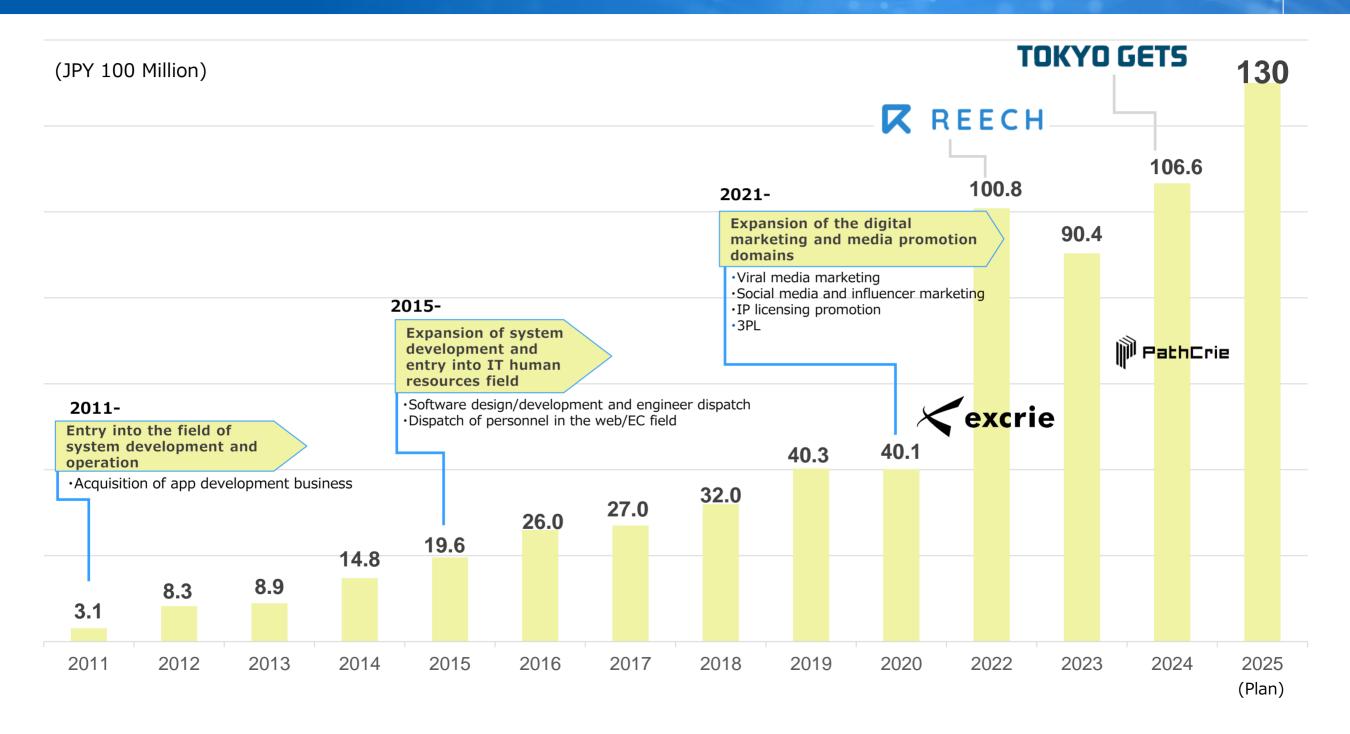
- Revenue in the media and promotion domain increased 14%. High-growth domains such as influencer marketing and IP promotion contributed, as did consolidated PathCrie*.
- Revenue in the IT solutions domain increased 41%. Newly consolidated CRI* contributed significantly.
- Segment profit increased 28%. Gross profit increased in line with revenue growth, and this covered the increase in SG&A due to the effect of new consolidated companies.



^{*}PathCrie Inc.: Operations include third-party logistics in the e-commerce domain. Consolidated from May 2024.

Creative Resource Institute Co., Ltd. (CRI): Operations include dispatch of directors/engineers and advertising production. Consolidated from April 2024.

(Reference) Digital Marketing Business: Revenue Base Expanding



Data Marketing Business

Revenue of 7.96 billion yen (up 22%) and segment profit of 2.5 billion yen (up 40%) Demand for online research remained strong in Japan, and overseas revenue recovered significantly

(JPY 100 Million)

FY2023/6

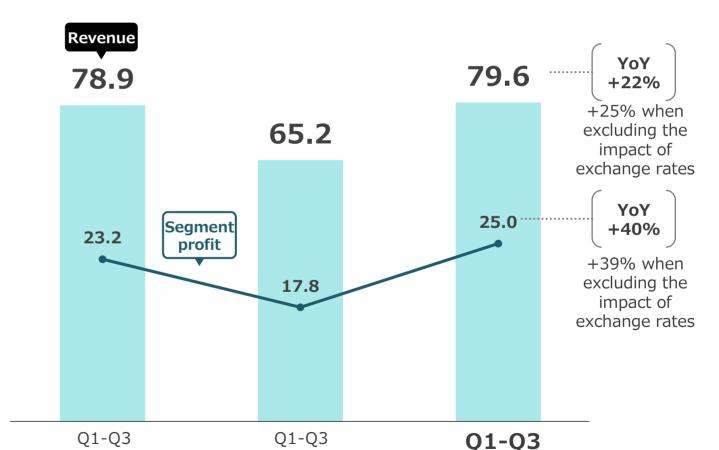
Highlights

- Revenue in Japan increased 8% YoY. Demand for online research was strong. By industry, communication, entertainment, automobiles, advertising agencies, etc. were the drivers.
- Overseas revenue increased 66% YoY. In the mainstay North American market, demand recovered significantly.
- Segment profit increased 40% YoY due to an increase in gross profit in line with revenue growth.

Exchange rate impact

 The effect of exchange rate fluctuations*1 decreased revenue by 420 million yen but had minimal impact on profit.

^{*1} Compared to the actual exchange rate in Q3 of the fiscal year ended in June 2024.



FY2025/6

FY2024/6

Insight Business

Revenue of 4.88 billion yen (down 4%) and segment profit of 0.8 billion yen (up 11%)

Despite struggles in certain domains in Japan and overseas,

profit increased due to a higher gross profit margin and SG&A streamlining

(JPY 100 Million)

Highlights

 Gross profit margin improved due to reduced costs thanks to higher earnings from each research project (partly due to curtailment of discounting), etc.

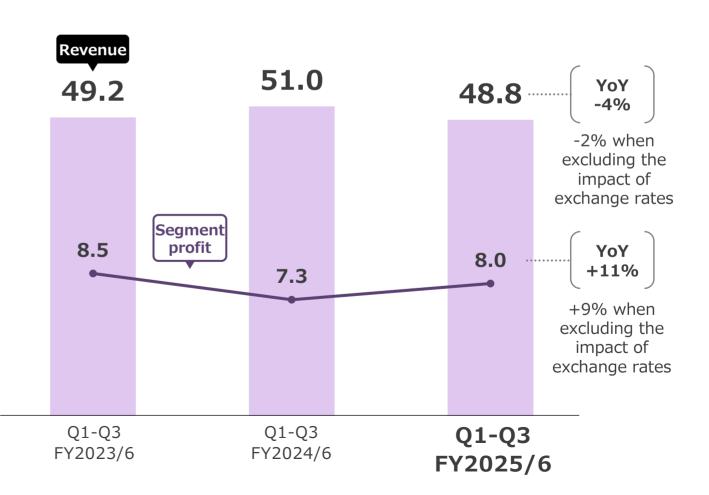
Lowlights

- Revenue in Japan declined 3%. Medical/health-care field and certain areas of offline research such as CLT*1 struggled
- Overseas revenue decreased 9%. Revenue in the UK recovered but was stagnant in Indonesia.

Exchange rate impact

 The effect of exchange rate fluctuations*2 reduced revenue by 200 million yen but had minimal impact on profit.

^{*2} Compared to the actual exchange rate in Q3 of the fiscal year ended in June 2024.



^{*1} Abbreviation for Central Location Test. A survey methodology that involves bringing subjects to the venue and having them fill out a questionnaire

(Reference) Trends in Revenue for Overseas Subsidiaries

Total overseas revenue increased 33% Revenue in North America and the UK recovered significantly

Highlights

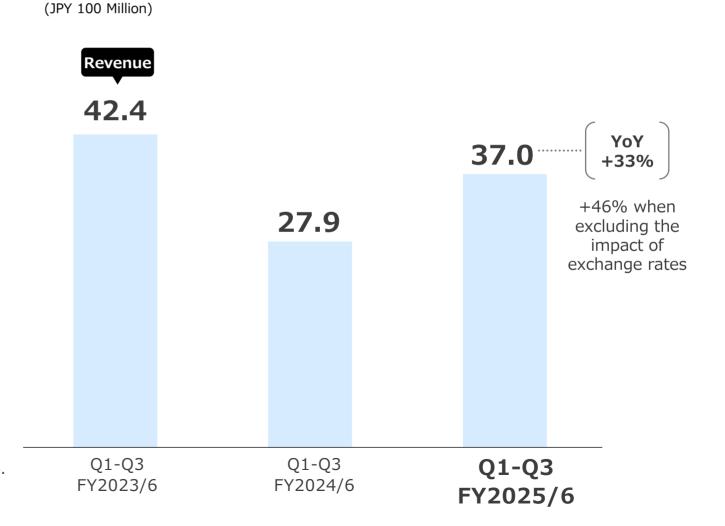
 Revenue in North America and the UK continued to recover. Revenue from research companies, information and communication, food, etc. grew.

Lowlights

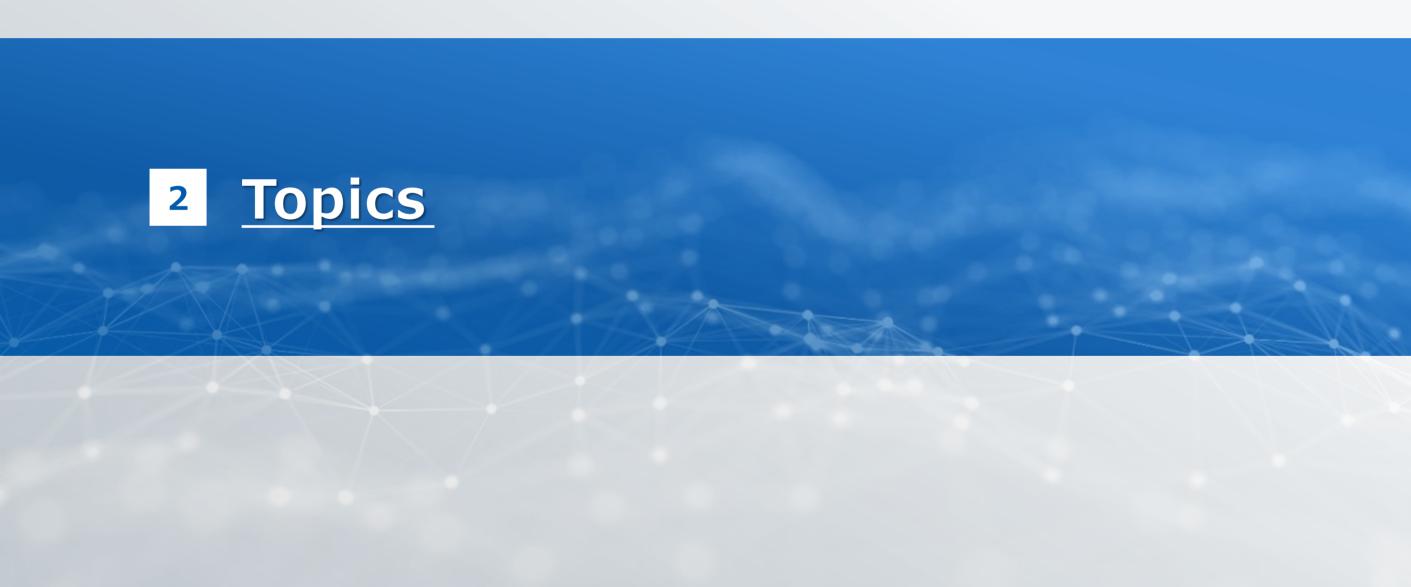
 Revenue in Indonesia was sluggish due to the effect of large-scale projects last year, but is expected to increase in Q4.

Exchange rate impact

 The effect of exchange rate factors*1 decreased total overseas revenue by 620 million yen.



st1 Compared to the actual exchange rate in Q3 of the fiscal year ended in June 2024.



Business Topics (1)

Launch of Light Depth

- a marketing research tool powered by an AI chatbot

Overview

Consolidated subsidiary Cross Marketing has launched Light Depth, an interview-based web survey service that efficiently collects and summarizes deep insights by having an AI chatbot use open-ended online questionnaire responses as a foundation for interaction with respondents in a conversational format.

What is Light Depth, our interview-based web survey service?

- 1. Capture respondents' true feelings through natural conversations

 The prompts that determine the behavior of the AI system are automatically generated based on simple instructions
- * Patent application filed: Patent Application No. 2025-024691
- 2. Flexibly alter questions based on responses to ensure that the required information is collected

The AI chatbot is trained on questionnaire responses from each type of respondent before it conducts the interviews, enabling the interviews to be carried out in a way that reflects a detailed understanding of the respondents' characteristics

3. Organize and summarize individual chat responses even with large sample sizesThe AI analyzes chat interactions with respondents, identifies key points, organizes and summarizes the responses, and presents the results of chat interviews in a more understandable way





^{*} Patent application filed: Patent Application No. 2025-024692

Business Topics (2)

Industry-academia collaboration with Jissen Women's University

Overview

PBL* partnership with the Department of Lifestyle Management, Faculty of Human Life Sciences, Jissen Women's University
* PBL (Project (Problem) Based Learning) is one of the active learning approaches promoted by the Ministry of Education, Culture, Sports, Science and Technology. It aims to equip students with the ability to tackle problems for which there are no correct answers.

Project description

This project targeted 55 students in the Department of Lifestyle Management who were taking the required course "Business Planning" in the second semester of the 2024 academic year. Consolidated subsidiary Tokyo Gets had the students create new intellectual property for the company by designing a new character that would be popular with female college students and devising a product marketing campaign featuring the character. After learning the basics of disciplines such as business administration, they worked together in groups before presenting their ideas in January 2025. Following their presentations, Tokyo Gets personnel provided the students with feedback and insights from a business perspective.



実践女子大学

TOKYO GETS

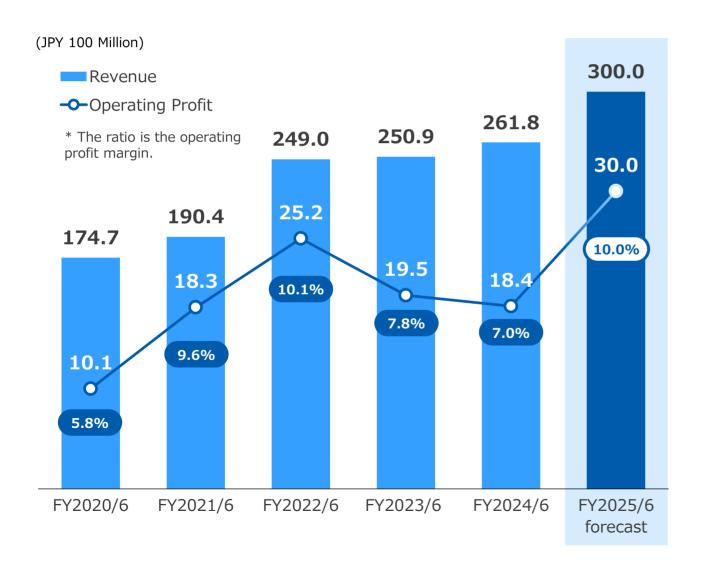




Forecast & Shareholder Returns

Full-year Earnings Forecast for FY2025/6

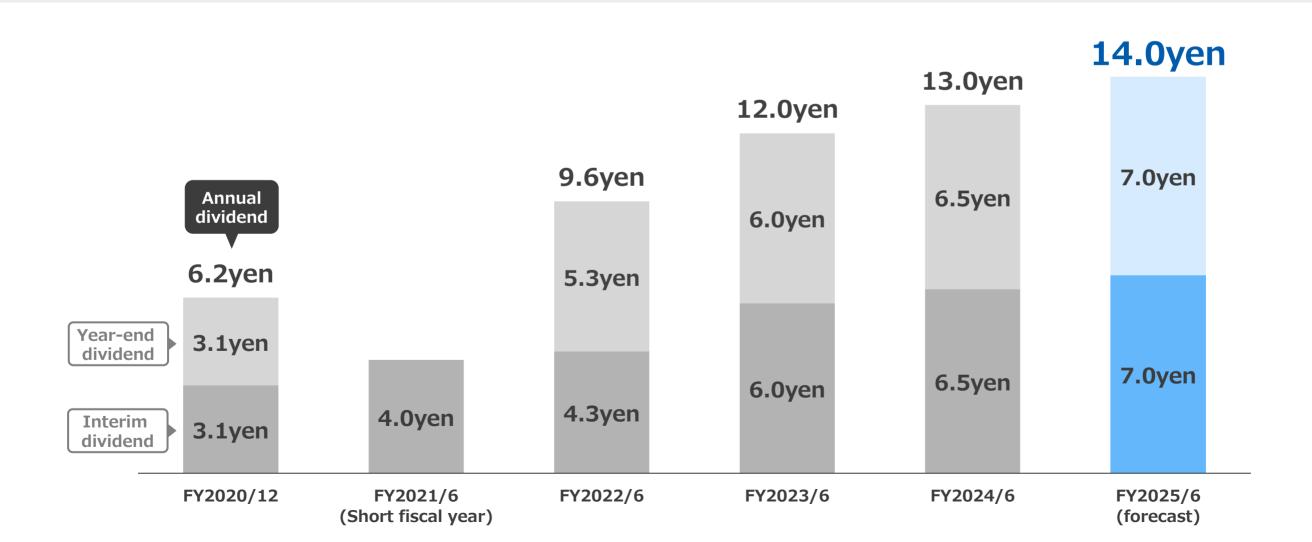
No change to Medium-term Management Plan and final year earnings targets Targeting revenue of 30 billion yen (+15%) and operating profit of 3 billion yen (+63%)



(JPY 100 Million)	FY2024/6 Actual	FY2025/6 Forecast	YoY
Revenue	261.8	300.0	+15%
Digital Marketing	106.6	130.0	+22%
Data Marketing	88.1	100.0	+14%
Insight	67.1	70.0	+4%
Operating Profit	18.4	30.0	+63%
Ordinary Profit	19.1	29.0	+52%
Net Income Attributable to Owners of the Parent	11.9	18.0	+51%
EPS	62.1	93.6	+51%
Dividends Per Share (yen)	13.0	14.0	+1.0

Dividend policy:

Continue to increase dividends with a target dividend payout ratio of approximately 15% We expect to pay 14.0 yen in the fiscal year ending in June 2025 (Interim dividend: 7.0 yen, year-end dividend: 7.0 yen).



4 Company Overview

Company profile (As of March. 31, 2025)

Company name	Cross Marketing Group Inc.	(ticker: 3675, TSE Prime)
President & CEO	Miki Igarashi	
Established	April 1, 2003	
Key financial indicators(Yen) -FY2024/6-	Total Sales 26.2bn Operating Profit 1.8bn億円 Total Assets 16.6bn Net Equity 7.1bn Capita	
Business Segments	Digital Marketing, Data Marketing, Insight	
Affiliated Companies	Consolidated subsidiaries : 30 companies Equity method affiliates : 1 companies	
Consolidated Employees	1,659(Incl. 187 temporary staff)	

Introducing Representative Director, President and CEO



Miki Igarashi

Profile 1973 **Born in Tokyo** Graduated from the Faculty of Economics of Keio University Joined Japan Asia Investment (a VC) Established an Internet company and was appointed as director **Established Cross Marketing** Cross Marketing was listed on the Mothers section of the **Tokyo Stock Exchange** Listing changed to First Section of the Tokyo Stock 2018 Exchange Listing moved to Prime Section of the Tokyo Stock Exchange

External Positions

RareJob, Inc.
Outside director
Japan Marketing Research Association
Chairman

Company Philosophy



Our wish is for customers' success.

In identifying issues, in planning solutions, and in presenting proposals.

Everything is to achieve the customer's dream. To approach the envisioned future.

The process is exciting. The goals make the heart pump.

Clear the path, lead the way to tomorrow, and create the future.

That is the Cross Marketing Group's mission.

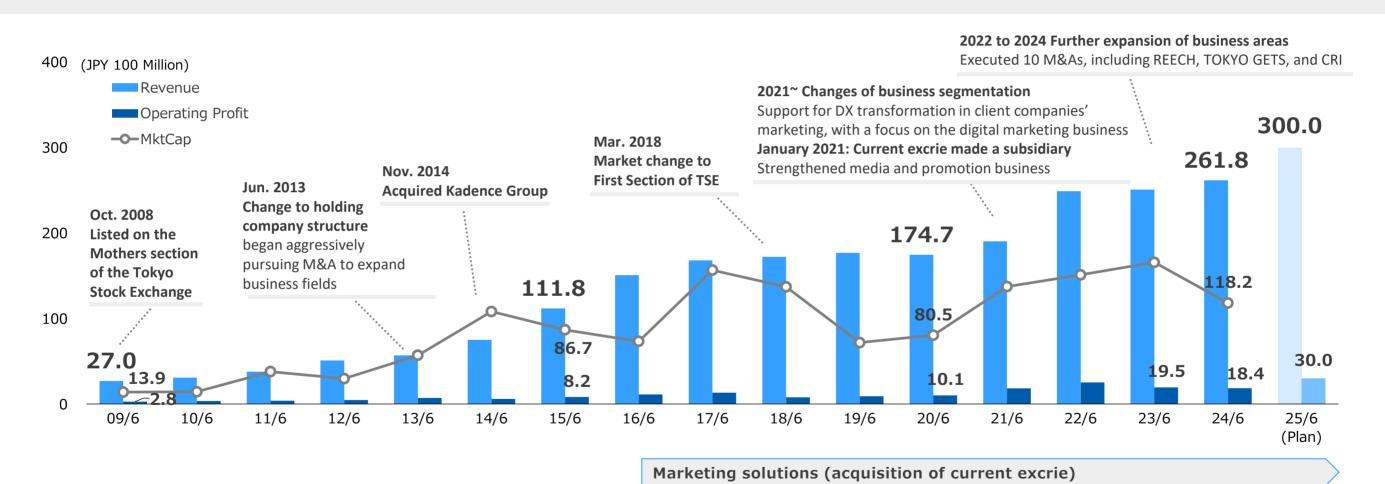
Business Transition

From our founding business as an Internet research company, we have promoted aggressive expansion of our business domain.

Going forward, we aim to make a leap forward to become a Marketing DX Partner that leads the businesses of customers to success through the power of digital technology.



Expand business fields by establishing subsidiaries and M&A, and extend further into areas of expertise Executed 23 M&A transactions for 37 companies* in Japan and abroad



Overseas expansion (establishment of local companies in China and Singapore, acquisition of Kadence International)

IT Solutions (acquisition of business for Cross Communication, acquisition of current Alterna Ex Inc.)

Marketing Research (Started marketing consulting, acquisition of R&D, establishment of Medilead Inc., acquisition of Shoppers Eye)

Business Segments and Major Group Companies



Digital Marketing

FY2024/6 Revenue 10.66 billion ven Revenue composition 40.7%

Marketing media operations, digital promotion, app development/maintenance/operations, human resource services, etc.





















Data Marketing

8.81 billion yen 33.7%

Supporting customer decisionmaking in marketing activities through data collection centered on online methods

Insight

6.71 billion yen 25.6%

Efforts such as consulting to solve problems, understanding consumers, and discovering the "why?" of consumers to support customer decision-making













Panel network consisting of

13,964,852 people*

Detailed profiles in a maximum of 2,500 categories



*As of March 31, 2025

Data analytics technology and organization of

about 300 analysts



Internet research system and organization of

> over **250** engineers



Extensive customer base across a wide range

of industries



Utilization of large-scale network in a wide range of services tailored to client needs

Digital Marketing

Use of panels in promotion projects

Data Marketing

Primarily used in Internet research projects

Insight

Use in research projects such as interviews





14.0 million people Detailed profiles in a maximum of 2,500 categories









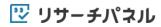






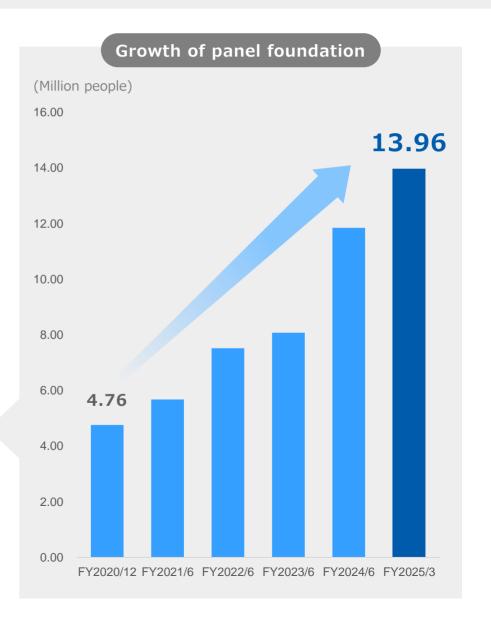


Tie-up with about 30 companies







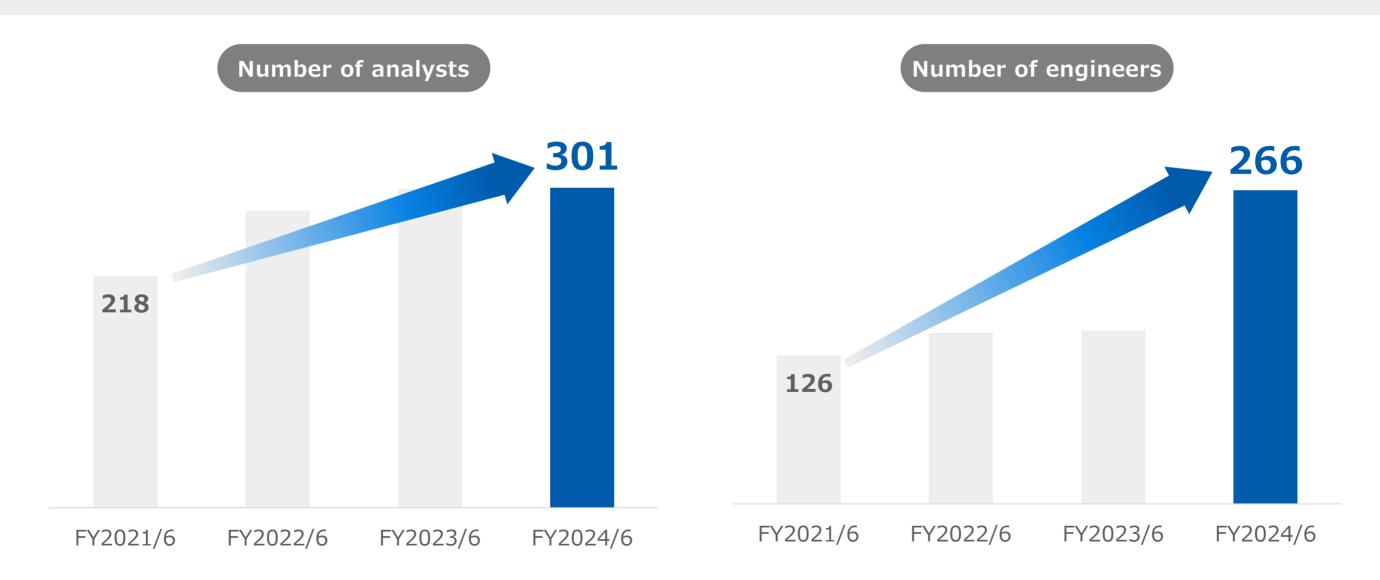


Group-wide Strength

Expansion of human resource base: steady growth in the number of analysts and engineers

Strengthening our ability to support diversifying customer needs

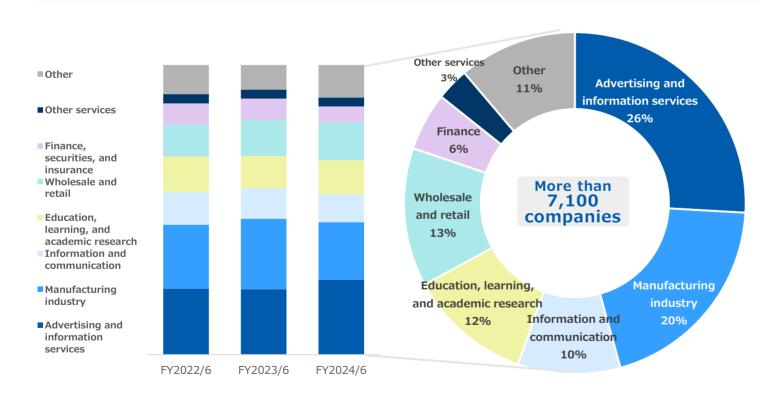
through M&As and internal development



Customer base of more than 7,100 companies per year (an increase of approximately 500 companies YoY), spread across a wide range of industries

Engaged in a business that is not heavily dependent on specific customers

Revenue composition by customer industry

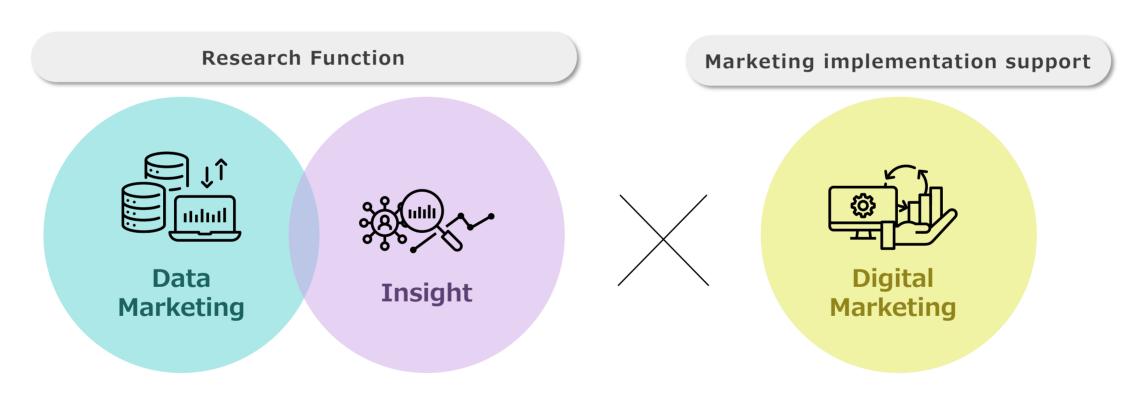


Overview of major customers and revenue composition (FY2024/6)

	Industries of major customers	Revenue (Million yen)	Composition of total revenue
1	Other services industry	402	1.5%
2	Communication industry	347	1.3%
3	Manufacturing (FMCG*) industry	284	1.3%
4	Information services industry	275	1.0%
5	Information services industry	233	0.9%
	•		
	Top 10 companies total	2,693	10.3%
	•		
	Top 100 companies total .	9,016	34.4%
	Top 300 companies total	13,043	49.8%

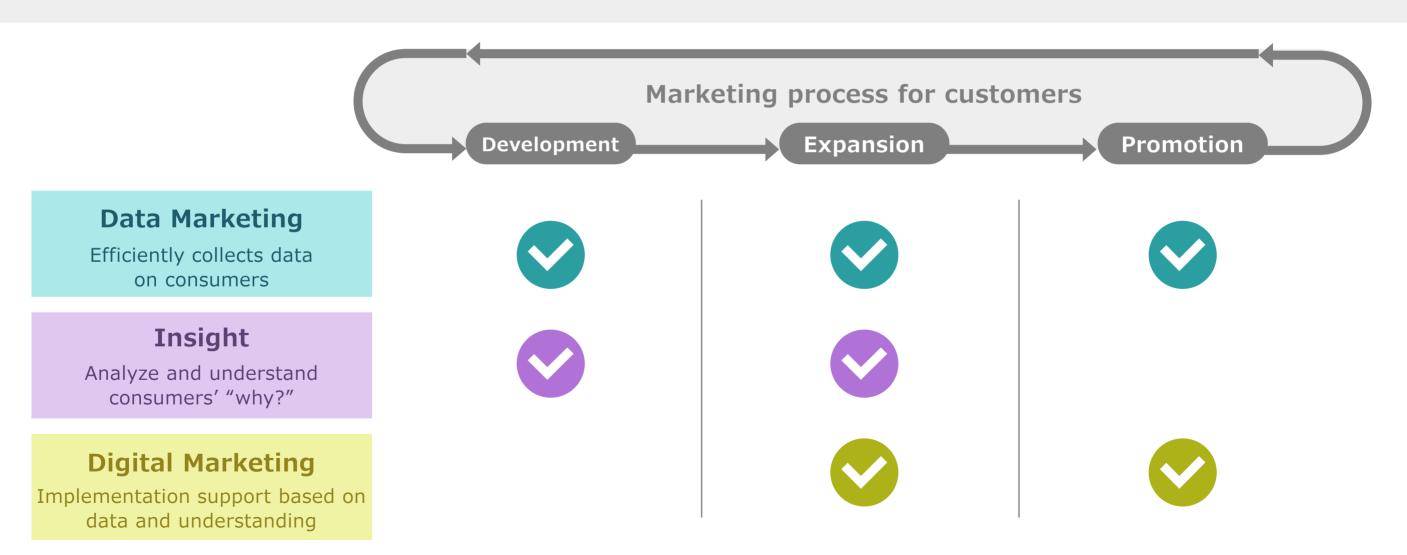
^{*}FMCG is an abbreviation for "fast-moving consumer goods," which refers to products that sell relatively quickly such as beverages, food and cosmetics (daily consumables).

By combining research (understanding consumers)
with marketing implementation support,
we can provide added value that leads directly to business promotion and growth
for client companies.



Comprehensive marketing solutions based on data and understanding

In the customer's marketing process, we offer one-stop services for the process of carrying out measures, in addition to collecting data from consumers and analyzing and understanding this data.



^{*}Consumers' "why?": Fundamental factors driving spending behavior that consumers aren't even aware of

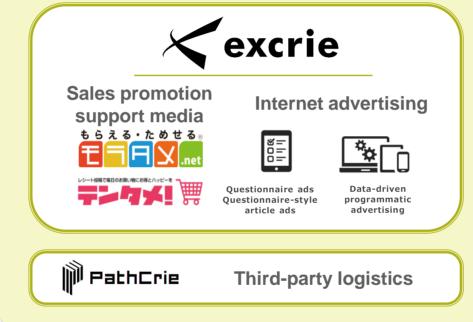
Digital Marketing Business -Media and promotion-

Operation of sales promotion support media, and development of Internet advertising services



Total support from planning to execution and data measurement of customers' marketing initiatives

Providing sales promotion services combining data, technology, and the Internet





Social media marketing

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IP collaboration

Panel network consisting of 13.96 million affiliates



















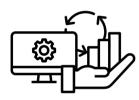






Digital Marketing Business -IT solutions-

Support for implementation of customers' marketing strategies



Providing system and application development, operations, maintenance, IT employee support/outsourcing

Major Businesses



Cross Communication

Planning, development, and operation of mobile/smartphone websites and systems



Smartphone securities application development Daiwa Connect Securities

Co., Ltd.



Banking application development Sonv Bank Inc.

ALTERNA CX

Recruitment support agency for engineers, marketers, and creators

Creative Resource Institute

Director and engineer temporary staffing business **Brand planning** Sales promotion Advertising production business

Segment Overview - Data Marketing

Data Marketing Business

Internet-based **Questionnaire Surveys**



Efficient data compilation through Japan's largest network of panels

Largest in the industry Panel network of 14.0 million people







Detailed profiles in a maximum of 2,500 categories













Fact Finding



Insight Business

Analysing and understanding consumer insights based on Fact Finding



Consulting to solve customers' marketing issues

In-depth research and analytical reporting based on consumer data/facts



Group interviews incl. CLT carried out annually About 1,000 projects



CLT room where cooking is possible (Ningyocho)



Overseas fieldwork base (India)



Facilities in Japan (Hatsudai area of Shinjuku; Ningyocho)

Kadence Group

Research centers in North America, Europe, and Asia

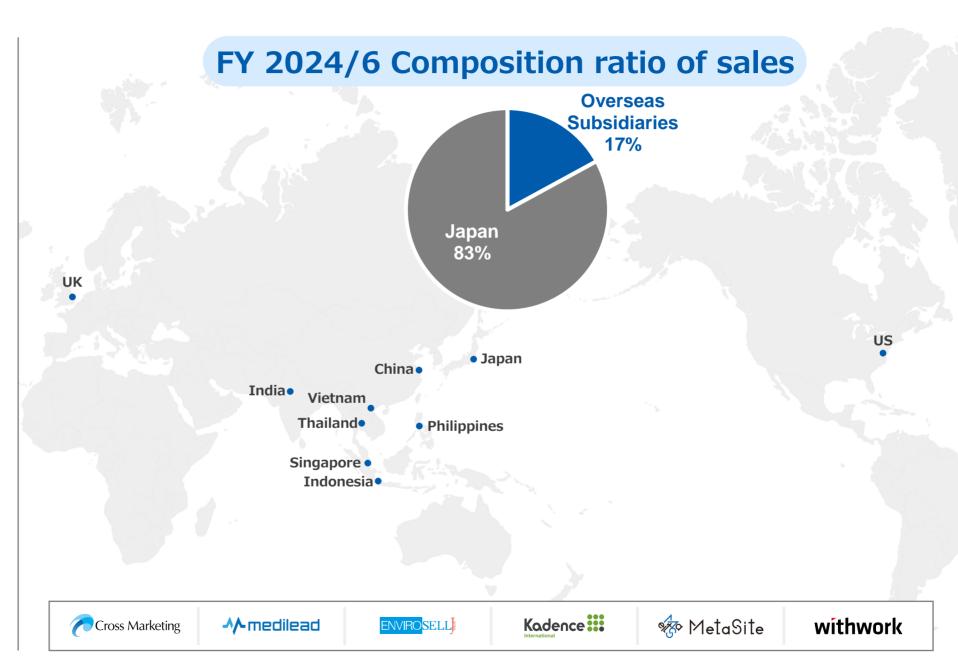
Consumer data is efficiently compiled



Analysis and understanding of consumer insights



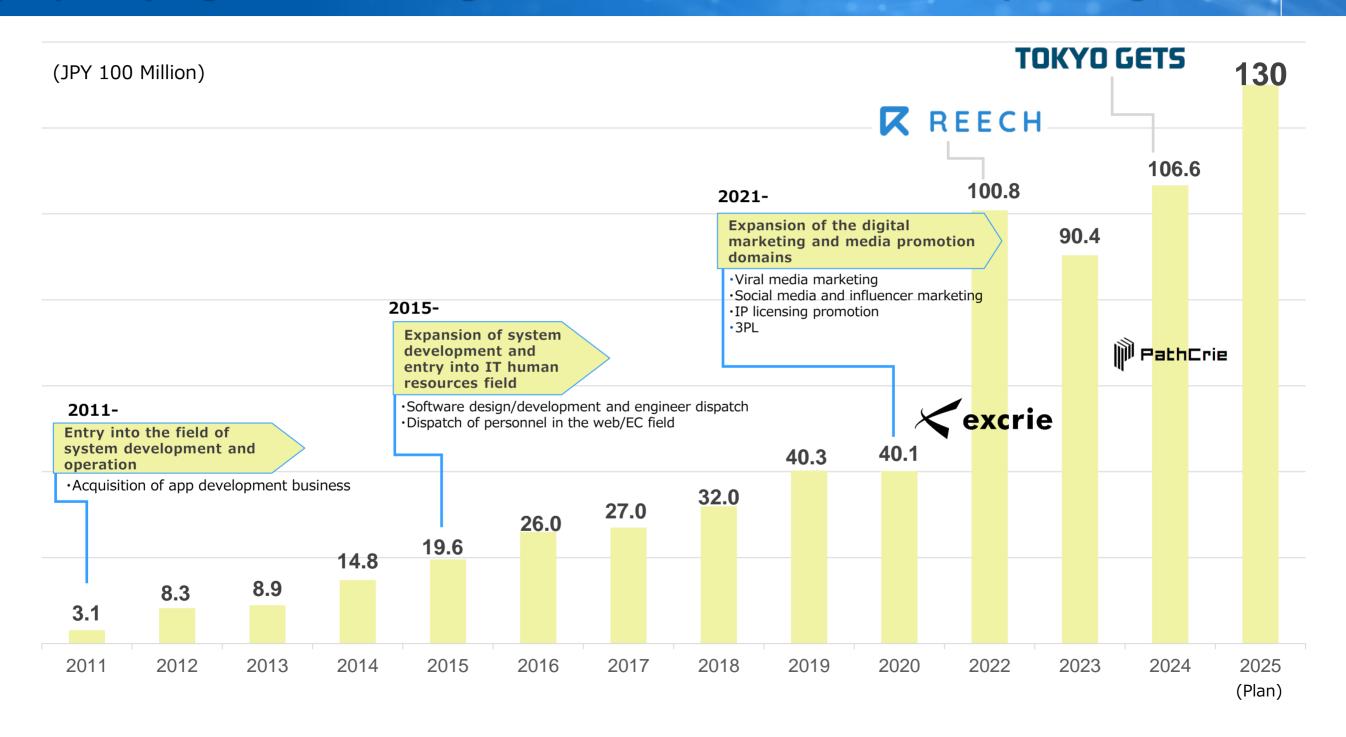
Services provided by
Group companies with
expertise and bases in 10
countries around the
world



5 Appendix

Fact Sheet(www.cm-group.co.jp/ir)

(Reprint)Digital Marketing Business: Revenue Base Expanding



Overview of High-growth Business Domains - Profile of REECH

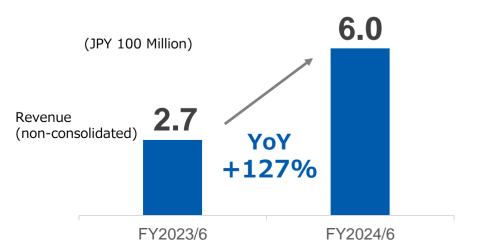
REECH Inc.

Provides database tools that connect influencers and companies



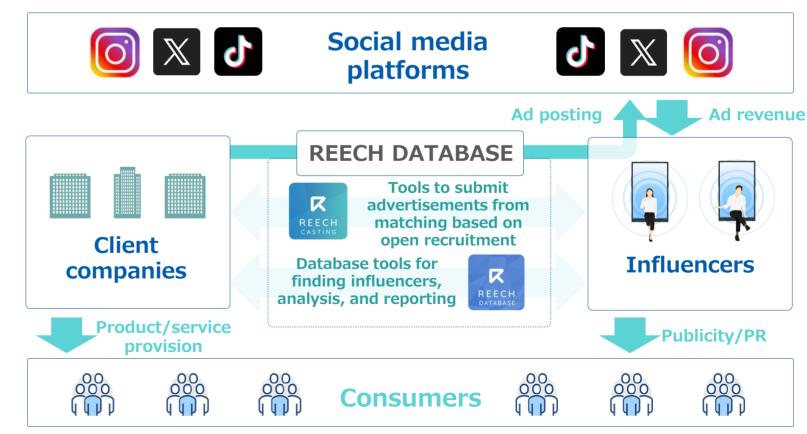
Business operations

- (1) Marketing support using "REECH Data Base," a proprietary database built with data obtained from social media
- (2) Promotion support using **influencers**
- Acquired shares in March 2022 and started consolidating profit and loss in April 2022
- Expected to continue expanding due to growth of social media platform advertising and increases in numbers of social media users and influencers



Business (1): Database marketing

- ✓ Proprietary database, "REECH Data Base," built with data obtained from social media platforms Instagram, YouTube, TikTok, and X, amasses huge volumes of post data.
- ✓ From this data, it is possible to gauge performance and trends, and then propose ways of boosting the topicality and reach of social media campaigns.



Overview of High-growth Business Domains - Excerpt from REECH Marketing Material

Business (2): Influencer promotion support

Utilization of influencer data from over 400,000 accounts/over 250 million posts

Number of followers ≠ level of influence

Based on attributes, past posts, and engagement data,

suggest influencers who can deliver results

Insourcing

Reducing costs through the insourcing (bringing in-house), streamlining, and automation of influencer marketing

More than 200 PR campaigns per year

Able to provide casting and direction technology based on track record of numerous PR campaigns

Examples of use







Tokyo Gets Co., Ltd.

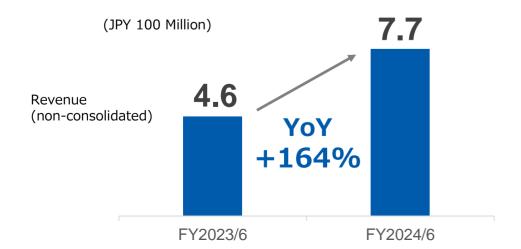
Support for corporate promotions, events, and merchandising utilizing entertainment content

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Business operations

IP promotion support business

- Acquired shares in May 2023 and started consolidating in July 2023
- Utilizes entertainment content for promotion, etc. One-stop support from planning proposals to negotiations with copyright holders



Content-owning companies (publishers)

Provision of merchandising rights

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Entertainment content utilization know-how

Collaboration proposals for customers' promotions

Digital Marketing Business

excrie REECH, etc.

Examples:

- · Campaign management · Advertising
- Promotional material planning/production

Clients (manufacturers, etc.)

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Features/ strengths

- ✓ Facilitating tie-ups between promotion plans and IP content that has a high consumer focus and is closely related to the product concerned
- ✓ Leveraging the topicality, attention-grabbing ability, and purchase-inducing power of content to enhance outcomes from various strategies. Availability of one-stop support from planning proposals to negotiations with copyright holders

Topicality

Creating a buzz thanks to the renown of the content and the activities of the fans Also attractive to retailers

Reach and purchase-inducing power

Rapidly diffused via fan networks Offering of gifts and merchandise stimulates the desire to buy

Track record of more than 1,100 tie-ups

Campa ign storefront promotio nal ement materials

Gifts Influen cers

Adverti semen ts

Examples of use



With a new product to be released, wanted to create a buzz through collaboration with content suited to the target of men in their 30s-40s.

20,000 reposts on social media in two months

Became a hot topic among fans



Generating sales instantaneously

- Wanted to boost the percentage of consumers aware of the product, as it had been sagging
- Wanted to generate sales instantaneously when exposure in stores increases

Became a **hot topic** immediately after the start of the campaign

Collaboration packaging proved so popular that additional production was needed



- Was difficult to secure shelf space because product wasn't well known
- Through collaboration with topical content, <u>wanted to</u> obtain an advantage in negotiations for distribution to increase the percentage of stores carrying the product

Brushed major rivals aside and secured six facings
Greatly contributed to increasing store
penetration

Consolidated Profit and Loss

(JPY 100 Million)	FY2024/6 Q1-Q3	FY2025/6 Q1-Q3	YoY Growth Rate
Revenue	193.4	222.7	+15% (1
Gross Profit	77.6	87.6	+13%
(Gross Profit Margin)	(40.1%)	(39.3%)	(-0.8pt)
SG&A	60.7	63.9	+5%
(SG&A Ratio)	(31.4%)	(28.7%)	(-2.7pt)
Operating Profit	16.9	23.7	+40%
(Operating Profit Margin)	(8.7%)	(10.6%)	(+1.9pt)
Ordinary Profit	16.8	22.8	+35%
Extraordinary Gains	-0.0	-0.1	_
Income Taxes	7.0	9.2	+33%
Net Income Attributable to Owners of the Parent	9.8	13.4	+36%

-----Sharp increase in revenue

Domestic and overseas consumer surveys and Digital Marketing saw strong demand.

Increased gross profit

Increased in line with higher revenue

Streamlining of SG&A expenses

Due to expense streamlining, the SG&A ratio decreased

Consolidated Balance Sheet

(JPY 100 Million)	End of Jun. 2024	End of Mar. 2025	Changes		
Current Assets	127.6	128.3	+0.7		
Cash & Deposits	73.8	63.1	-10.7	Decreased compared to the start of the fisc year due to debt repayment etc.	
Notes & Accounts Receivable	38.5	46.2	+7.7		
Other	15.3	19.0	+3.7		
Non-current Assets	38.7	37.4	-1.4		
Goodwill	12.3	10.4	-1.9		
Other	26.4	27.0	+0.6	Made progress in amortization of goodwill of consolidated subsidiaries	
Total Assets	166.3	165.6	-0.7		
Current Liabilities	58.7	57.8	-0.9		
Accounts Payable	12.3	15.0	+2.7		
Short-term Debt*	16.3	15.0	-1.3	Decrease in debt	
Other	30.1	27.8	-2.3	Short-term and long-term debt	
Non-current Liabilities	36.8	29.6	-7.2	decreased due to debt repayment	
Long-term Debt	33.5	25.9	-7.6	3	
Other	3.3	3.6	+0.4	Equity ratio of 47.3%	
Net Assets	70.8	78.3	+7.5	Increased from the end of the previous period, and secured healthy levels	
Equity Ratio	42.6%	47.3%	+4.7pt		

^{*}Short-term Debt including Long-term Debt, returned within one year

Cautionary Statement regarding the Material

The Purpose of this document is to provide information on business performance and not to solicit investment in securities issued by the company. The opinions and forecasts contained in this document are based on the judgment of the Company at the time this document was prepared, and it is subject to change in the future.

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