Stock Exchange Code: 3675

Cross Marketing Group

## Cross Marketing Group Inc.

# FY2027/6 Q1
# Supplementary Briefing Material on Financial Results

November 12, 2026

Copyright©Cross Marketing Group Inc. All rights Reserved.

CONTENTS


1 FY2027/6 Q1 Financial Results Outline

2 Topics

3 FY2027/6 Forecast & Shareholder Returns

4 Appendix

# Executive Summary



Summary 1

- **FY2027/6 Q1 (July to September) net sales of 9.62 JPY billion (up 43% YoY) and operating profit of 0.17 JPY billion (down 42% YoY)**
- **New M&A: Announced that chot Inc., which has strengths in modern frontend development and AI implementation capabilities, will become a subsidiary**

Summary 2

- **Digital Marketing Business: Revenue grew 67% YoY. Strong performance of influencer marketing and IP promotion continued, with the effect of M&A transactions in the previous fiscal year also contributing**
- **Research & Insight Business: Revenue grew 22% YoY. Despite experiencing difficulties in Japan, overseas research expanded**

Summary 3

- **FY2027/6 forecast: No change to net sales of 40.0 JPY billion and operating profit of 2.5 JPY billion**
- **Expecting an annual dividend of 16.0 JPY (up 1.0 JPY YoY)**
- **Share buybacks in progress**

# 1 FY2027/6 Q1 Financial Results Outline

# FY2027/6 Q1 Financial Results Outline



**Net sales of 9.62 JPY billion (up 43% YoY) and operating profit of 0.17 JPY billion (down 42% YoY): Q1 net sales reached a record high due to the expanded Digital Marketing Business and strong overseas research. Operating profit decreased due to higher SG&A**

| (JPY Billion) | FY2026/6 Q1 results | FY2027/6 Q1 Actual | FY2027/6 Q1 YoY Growth Rate |
|---|---|---|---|
| **Net sales** | **6.71** | **9.62** | **+43%** |
| Digital Marketing Business | 3.24 | 5.41 | +67% |
| Research & Insight Business | 3.46 | 4.21 | +22% |
| **Gross profit** (Gross profit margin) | **2.47** (36.8%) | **2.75** (28.6%) | **+11%** (-8.2pt) |
| **SG&A** | **2.18** | **2.59** | **+18%** |
| **Operating profit** (Operating profit margin) | **0.29** (4.3%) | **0.17** (1.7%) | **-42%** (-2.5pt) |
| **EBITDA*1** (EBITDA margin) | **0.43** (6.4%) | **0.33** (3.4%) | **-24%** (-3.0pt) |
| **Ordinary profit** | **0.29** | **0.12** | **-60%** |
| **Net income attributable to owners of parent** | **0.12** | **-0.03** | **-** |

*1: EBITDA: Operating profit + Depreciation + Amortization of goodwill

# Digital Marketing Business

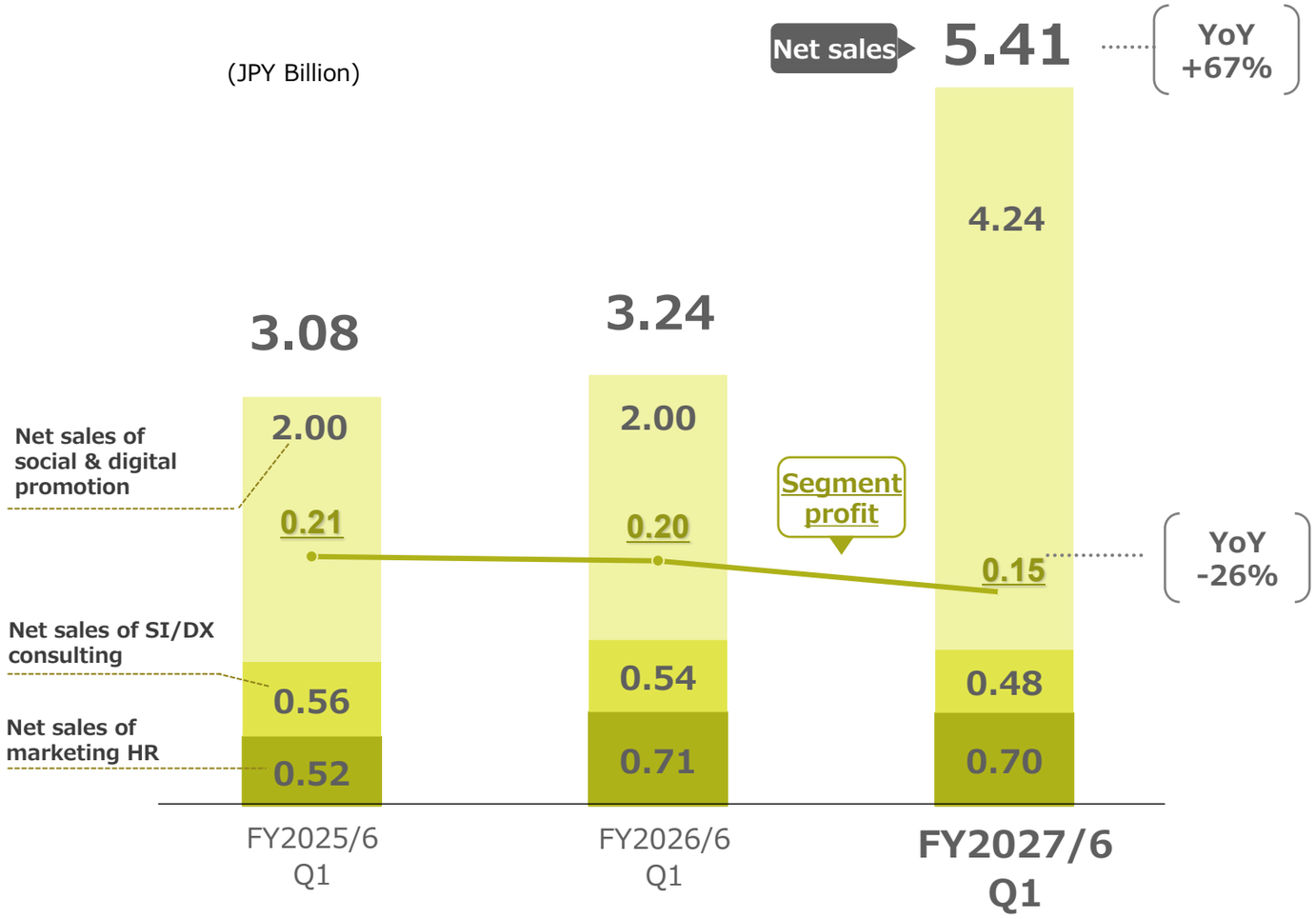
**Net sales of 5.41 JPY billion (up 67% YoY) and segment profit of 0.15 JPY billion (down 26% YoY)**
**Significant revenue growth driven by expanded social & digital promotion. Segment profit decreased due to higher SG&A**

## Highlights

- **Social & digital promotion**: Net sales of 4.24 JPY billion (2.1 times YoY). New consolidations made a significant contribution (+2.13 JPY billion), and existing areas were also up 5% as growth of influencer marketing and IP promotion continued.

## Lowlights

- **SI/DX consulting**: Net sales of 0.48 JPY billion (down 12% YoY). Despite growth in consulting, revenue declined in system development.
- **Marketing HR**: Net sales of 0.70 JPY billion (down 1% YoY), remaining largely in line with the previous year. Expected to recover in Q2.
- **Segment profit** decreased 26% YoY. This was mainly due to an increase in SG&A.



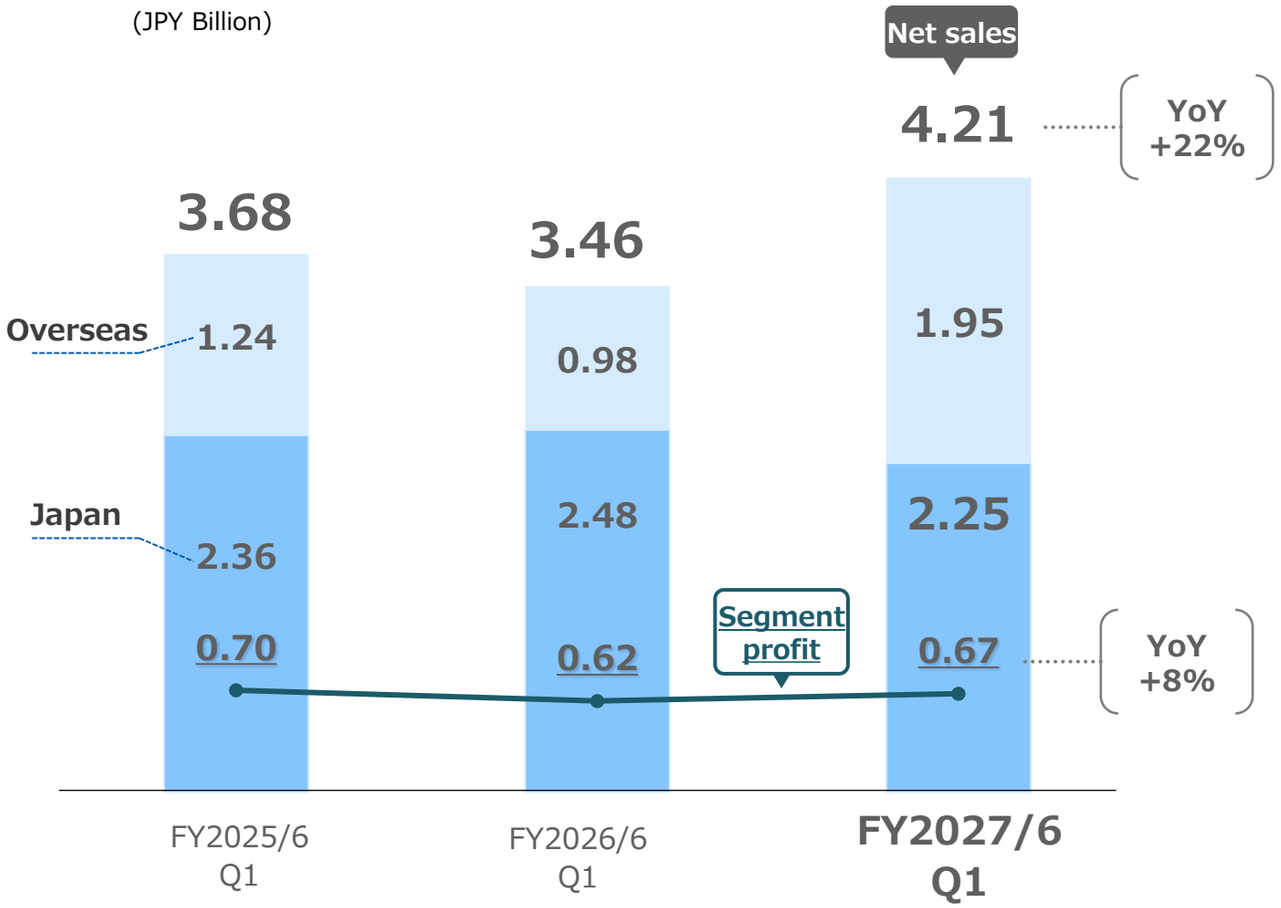
# Net sales of 4.21 JPY billion (up 22% YoY) and segment profit of 0.67 JPY billion (up 8% YoY)
# Overseas research recovered significantly, driven by North America, our core market

## Highlights

- **Overseas:** Net sales of 1.95 JPY billion (2.0 times YoY). North America, a core market, drove growth by winning projects for tech companies.
- **Segment profit** of 0.67 JPY billion (up 8% YoY). This was mainly due to the revenue growth overseas.

## Lowlights

- **Japan:** Net sales of 2.25 JPY billion (down 9% YoY). The mainstay online research business struggled, while the internet research tool equipped with AI functions continued to see high growth.



# 2 Topics

# We will make chot Inc. into a consolidated subsidiary (scheduled for December 2026)
# Aiming to create new added value by strengthening the digital marketing field and AI utilization

Cross Marketing Group

Provides one-stop support from research to marketing as a "marketing DX partner"

×

**chot Inc.**

Frontend development support specializing in Next.js/React, and AI application development

| chot Inc. | Net sales | Operating profit | Engineers |
|---|---|---|---|
| Scale of the acquired division (FY2026/3) | 391 JPY million | 155 JPY million | 28 people |

**Consumer understanding × frontend development and AI implementation capabilities**

*Net sales and operating profit: Results of the acquired division (frontend development support business) for FY2026/3, based on a business-level income statement prepared by chot for the company split (not yet audited by an audit firm)
*Number of engineers: As of October 2026, including 6 contractors

## Business features

| | |
|---|---|
| Frontend development support | ✓ Next.js/React engineers join clients' development teams |
| Web application development | ✓ End-to-end support from requirements definition to implementation and operation |
| Japan's first official Vercel partner | ✓ Works directly with the developer of Next.js to keep pace with the latest technologies |

## Strengthening AI utilization

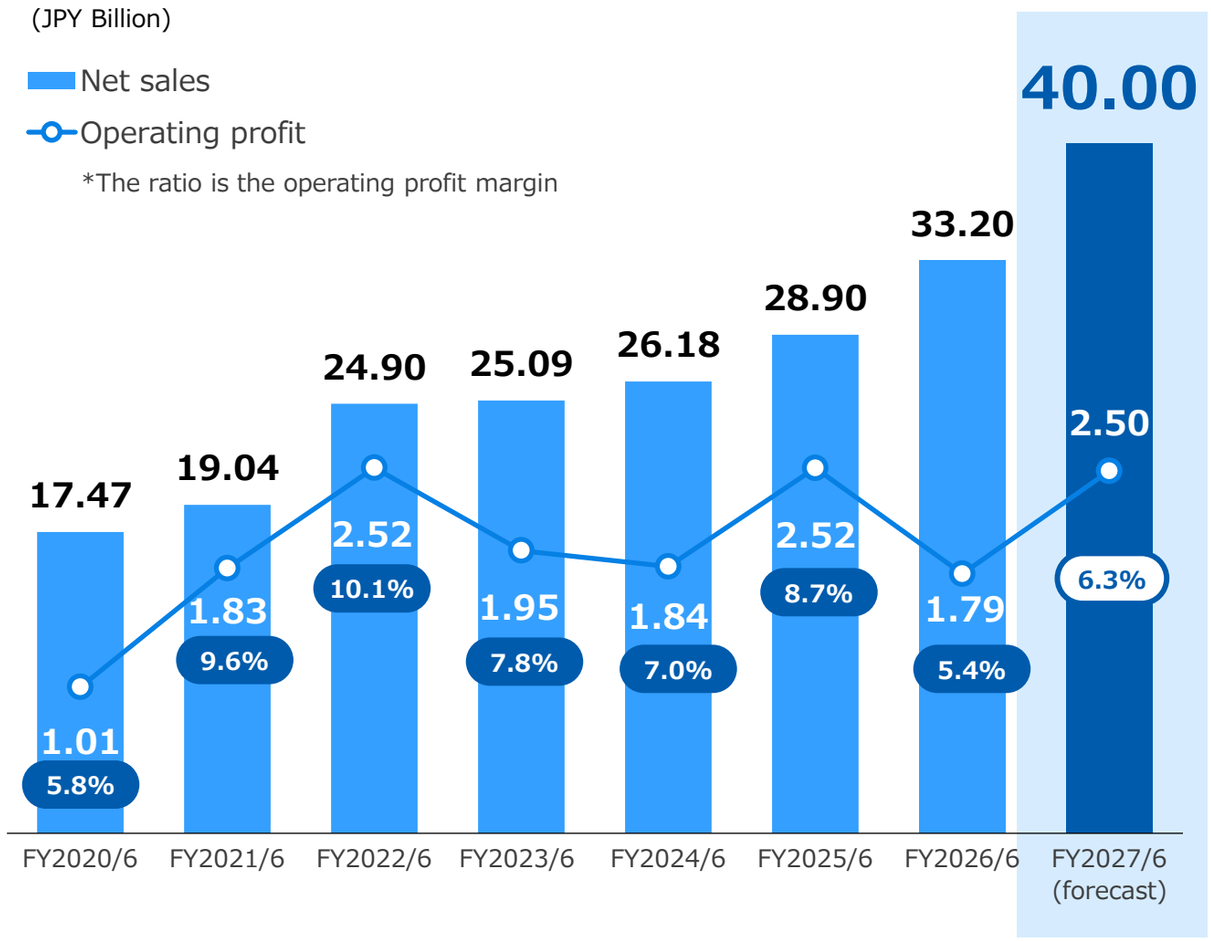
| | |
|---|---|
| AI application development | ➢ Track record in developing web apps and AI workspaces incorporating generative AI |
| User-friendly AI experiences | ➢ Design and implementation capabilities to deliver AI functions in a user-friendly form |
| Promoting AI use across the Group | ➢ Rolling out AI know-how to the services and operations of Group companies |

# We are acquiring treasury shares

| | |
|---|---|
| **Purpose** | Decided to implement share buybacks as part of shareholder return policy and to enable the execution of a flexible capital policy and diversification of incentive plans. |
| **Number of shares** | 500,000 shares (Maximum)<br>* Ratio to total number of issued shares (excluding treasury shares) 2.7% |
| **Amount of acquisition** | 300,000,000 yen (Maximum) |
| **Acquisition period** | August 12, 2026 to February 10, 2027 |
| **Progress as of end of Oct. 2026** | Cumulative shares acquired: 270,000 shares (progress: 54.0%)<br>Cumulative acquisition amount: 160 JPY million (progress: 53.4%) |

# 3 FY2027/6 Forecast & Shareholder Returns

# FY2027/6 full-year earnings forecast: net sales of 40.0 JPY billion (up 21% YoY) and operating profit of 2.5 JPY billion (up 40% YoY)



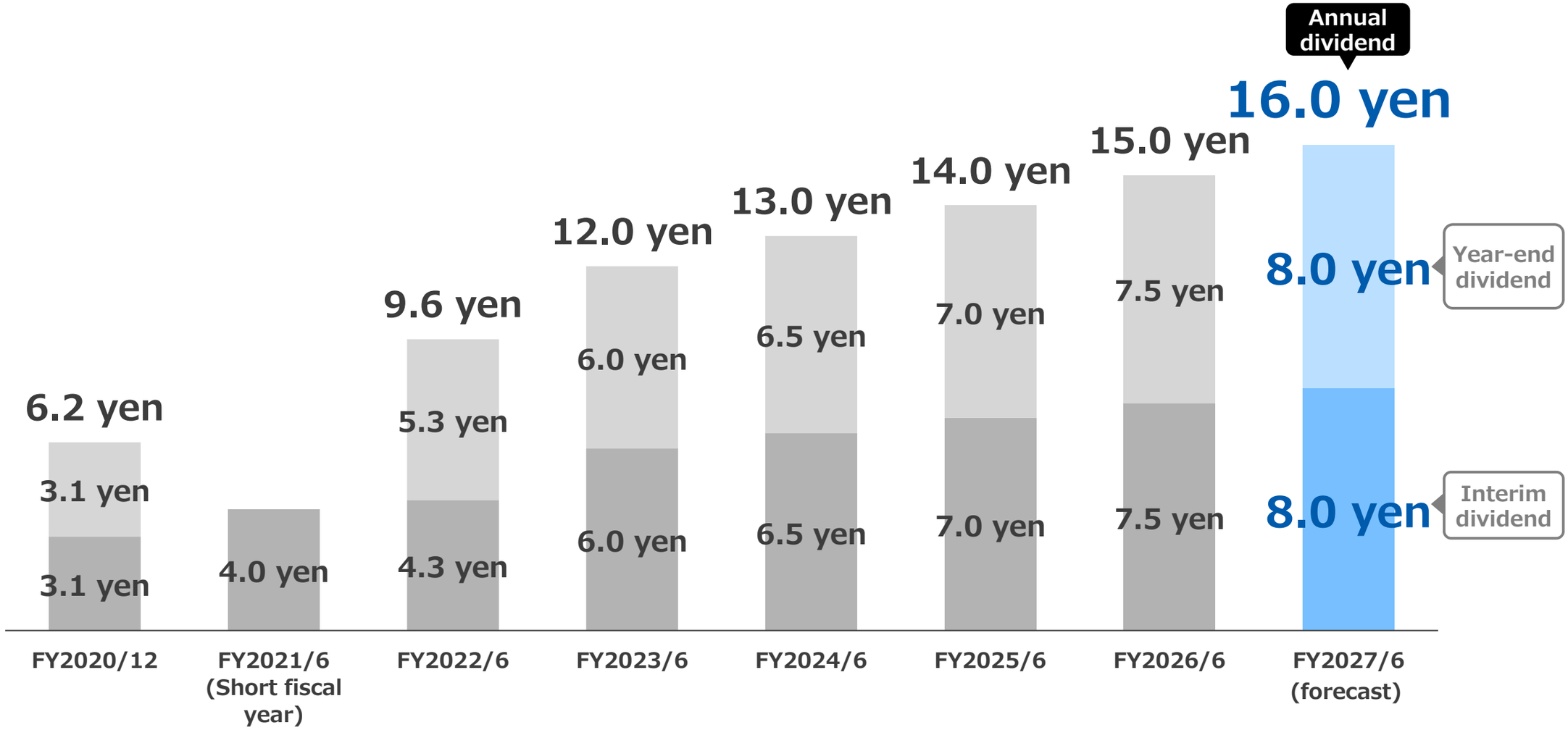

| (JPY Billion) | FY2026/6 Actual | FY2027/6 Forecast | YoY |
|---|---|---|---|
| **Net sales** | **33.20** | **40.00** | **+21%** |
| Digital Marketing Business | 16.67 | 23.00 | +38% |
| Research & Insight Business | 16.53 | 17.00 | +3% |
| **Operating profit** | **1.79** | **2.50** | **+40%** |
| **Ordinary profit** | **1.81** | **2.50** | **+38%** |
| **Net income attributable to owners of parent** | **0.80** | **1.30** | **+63%** |
| **EPS (Yen)** | **41.2** | **67.3** | **+63%** |
| **Dividends per share (Yen)** | **15.0** | **16.0** | **+1.0** |

# Dividend Forecast



**Dividend policy: Continue to increase dividends (progressive dividends) with a target dividend payout ratio of approximately 20%**

**We expect to pay 16.0 yen per share in FY2027/6 (Interim: 8.0 yen, year-end: 8.0 yen)**



# 4 Appendix

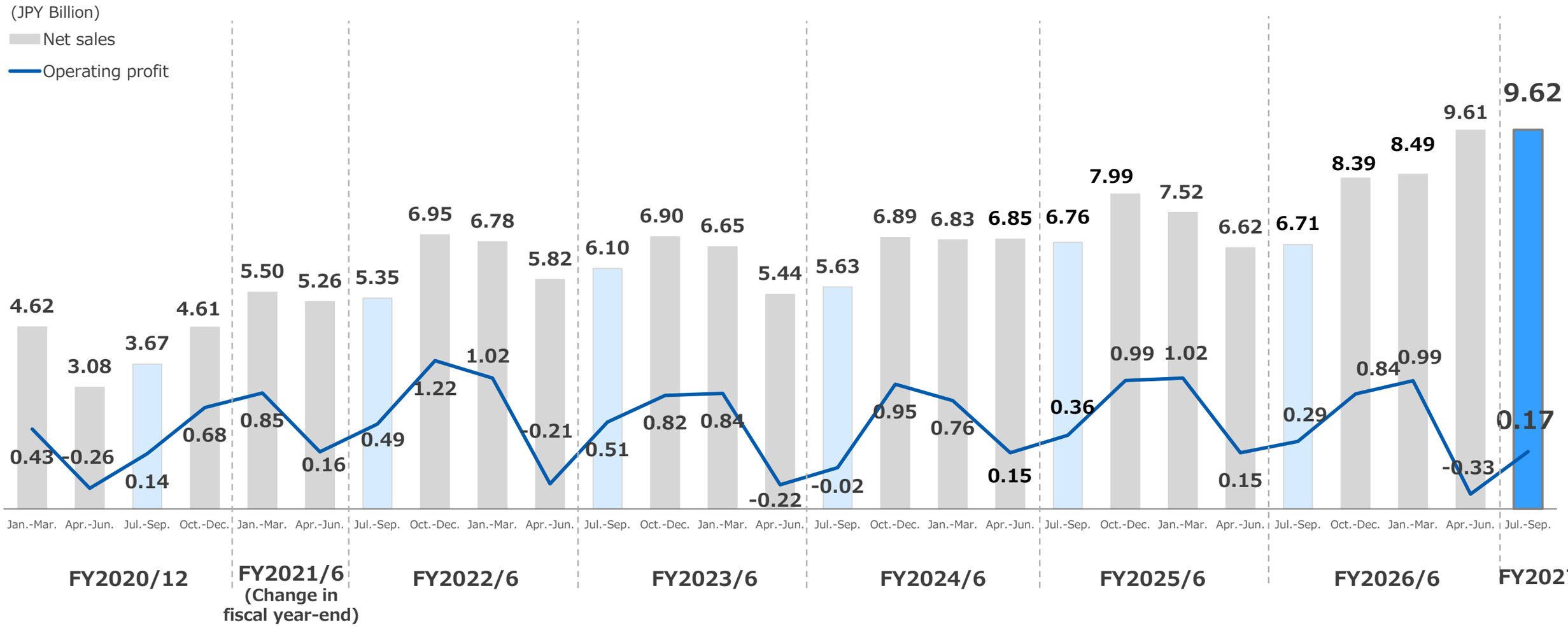
The Excel Fact Sheet is available here on our IR website (https://www.cm-group.co.jp/en/ir/).
Please refer to this Fact Sheet for more information.

# Quarterly Fluctuations in Net Sales and Operating Profit



## Seasonal factors continue to play a role, but our earnings base is steadily expanding

### Typically, peak sales periods are Q2 (October to December) and Q3 (January to March)



# (Reference) Quarterly Net Sales and Operating Profit by Segment



| (JPY Billion) | FY2026/6 Q1 | Q2 | Q3 | Q4 | Cumulative total for the fiscal year | FY2027/6 Q1 | Q2 | Q3 | Q4 | Cumulative total for the fiscal year |
|---|---|---|---|---|---|---|---|---|---|---|
| **Net sales** | **6.71** | **8.39** | **8.49** | **9.58** | **33.20** | **9.62** | | | | |
| **Digital Marketing Business** | **3.25** | **3.75** | **3.78** | **5.86** | **16.67** | **5.41** | | | | |
| Social & digital promotion | 2.00 | 2.55 | 2.54 | 4.61 | 11.73 | 4.24 | | | | |
| SI/DX consulting | 0.54 | 0.63 | 0.62 | 0.63 | 2.42 | 0.48 | | | | |
| Marketing HR | 0.71 | 0.59 | 0.62 | 0.61 | 2.52 | 0.70 | | | | |
| **Research & Insight Business** | **3.46** | **4.64** | **4.71** | **3.72** | **16.53** | **4.21** | | | | |
| Japan | 2.48 | 3.24 | 3.56 | 2.43 | 11.71 | 2.25 | | | | |
| Overseas | 0.98 | 1.40 | 1.15 | 1.29 | 4.82 | 1.95 | | | | |
| **Operating profit** | **0.29** | **0.84** | **0.99** | **-0.33** | **1.79** | **0.17** | | | | |
| **Digital Marketing Business** | **0.20** | **0.31** | **0.34** | **0.17** | **1.03** | **0.15** | | | | |
| **Research & Insight Business** | **0.62** | **1.07** | **1.24** | **0.14** | **3.07** | **0.67** | | | | |
| Adjustments | -0.54 | -0.54 | -0.58 | -0.64 | -2.31 | -0.66 | | | | |

# Overview of Consolidated Statements of Income



| (JPY Billion) | FY2026/6 Q1 | FY2027/6 Q1 | YoY Growth Rate |
|---|---|---|---|
| **Net sales** | **6.71** | **9.62** | **+43%** |
| **Gross profit** | **2.47** | **2.75** | **+11%** |
| (Gross profit margin) | **(36.8%)** | **(28.6%)** | **(-8.2pt)** |
| **SG&A** | **2.19** | **2.59** | **+18%** |
| (SG&A ratio) | **(32.6%)** | **(26.9%)** | **(-5.7pt)** |
| **Operating profit** | **0.29** | **0.17** | **-42%** |
| (Operating profit margin) | **(4.3%)** | **(1.7%)** | **(-2.5pt)** |
| **Ordinary profit** | **0.29** | **0.12** | **-60%** |
| **Extraordinary income (loss)** | **0.00** | **-0.01** | **-** |
| **Income taxes** | **0.17** | **0.13** | **-20%** |
| **Net income attributable to owners of parent** | **0.12** | **-0.03** | **-** |

1 **Net sales decreased**

Despite revenue growth in the Digital Marketing Business, the revenue decline in the Research & Insight Business had an impact

2 **SG&A increased**

SG&A increased YoY due to new consolidation; however, the SG&A ratio was held down

3 **Operating profit decreased**

Mainly due to an increase in SG&A

# Overview of Consolidated Balance Sheets



| (JPY Billion) | End of Jun. 2026 | End of Sep. 2026 | Changes | |
|---|---|---|---|---|
| **Current assets** | **22.55** | **20.30** | **-2.24** | 1 |
| Cash and deposits | 11.48 | 9.14 | -2.34 | |
| Securities | 1.19 | 1.21 | +0.03 | |
| Notes and accounts receivable – trade | 5.60 | 5.59 | -0.01 | |
| Other | 4.28 | 4.36 | +0.07 | |
| **Non-current assets** | **4.16** | **4.39** | **+0.23** | |
| Goodwill | 1.51 | 1.41 | -0.10 | |
| Other | 2.65 | 2.99 | +0.33 | |
| **Total assets** | **26.71** | **24.69** | **-2.01** | 1 |
| **Current liabilities** | **14.00** | **12.64** | **-1.36** | 2 |
| Accounts payable – trade | 1.90 | 2.34 | +0.44 | |
| Contract liabilities | 2.24 | 1.35 | -0.89 | |
| Short-term debt (including long-term debt repayable within one year) | 2.13 | 2.13 | -0.00 | |
| Provision for point card certificates | 0.45 | 0.40 | -0.05 | |
| Deposits received | 4.49 | 4.44 | -0.05 | |
| Other | 2.79 | 1.98 | -0.81 | |
| **Non-current liabilities** | **4.34** | **3.98** | **-0.35** | 2 |
| Long-term debt | 3.89 | 3.53 | -0.36 | |
| Other | 0.45 | 0.45 | +0.00 | |
| **Net assets** | **8.37** | **8.07** | **+0.38** | |
| **Equity ratio** | **31.3%** | **32.7%** | **+1.4pt** | 3 |

## Assets decreased

Current assets decreased due to a decrease in cash and deposits

## Liabilities decreased

Contract liabilities and long-term debt decreased

## Equity ratio of 32.7%

Increased slightly from the end of the previous period

## 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.

For inquiries regarding this document, please contact

Investor Relations Office, Cross Marketing Group Inc.
Mail: ir@cm-group.co.jp

Cross Marketing Group Inc.
https://www.cm-group.co.jp