



# Q3 FY04/23 Financial Results Presentation

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March 16, 2023

Macbee Planet, Inc.  
(Stock code : 7095)

# Q3 FY04/23 Results Summary

- In addition to synergies between AC and MT businesses, improved accuracy of analysis using data acquisition technology led to growth.

## Net sales

(Millions of yen)

Q3 FY04/22	Q3 FY04/23	Change (%)
10,795	<b>14,087</b>	<b>+30%</b>
Analytics Consulting (AC)		
10,170	<b>12,876</b>	<b>+27%</b>
Marketing Technology (MT)		
625	<b>1,210</b>	<b>+94%</b>

MT business rapidly grew due to proprietary data acquisition technology developed in December 2022. AC business also grew significantly due to synergy effects.

▶ **AC business +27% YoY**

- Growth of existing customers in Finance and Wellness (brick & mortar)
- Steady progress with newly acquired clients

▶ **MT business +94% YoY**

- Improved accuracy of analysis and increased results through the using of proprietary data acquisition technology
- Promote Robee to large customers

## Operating profit

Q3 FY04/22	Q3 FY04/23	Change (%)
891	<b>1,506</b>	<b>+69%</b>
Operating margin		
8.3%	<b>10.7%</b>	<b>+2.4pt</b>

▶ **Operating profit +69% YoY**

- Profit increase due to business growth
- Gross profit margin improvement through the above technologies (from 17.5% in 3QFY2010 to 21.2% in 3QFY2011)

▶ **Operating margin +2.4pp**

- Growth of MT business with higher gross margin than AC business
- Increased labor productivity

# Revision to FY04/23 Earnings Forecast

- Revised full-year forecast for FY4/2023 due to improved accuracy of analysis.

(Millions of yen)	FY04/22		FY04/23		
	Actual	Previous Forecast	Revised Forecast *	Change	
Sales	14,425	17,000	<b>19,000</b>	+ 2,000	+12%
(YoY)	+48%	+18%	<b>+32%</b>	-	-
Operating Profit	1,237	1,600	<b>2,050</b>	+450	+28%
(OP margin)	8.6%	9.4%	<b>10.8%</b>	-	-
(YoY)	+58%	+29%	<b>66%</b>	-	-
Ordinary Profit	1,233	1,600	<b>2,050</b>	+450	+28%
Net Income Attributable to Owners of the Parent	760	1,000	<b>1,400</b>	+400	+40%
(YoY)	+39%	+32%	<b>+84%</b>	-	-
EPS	235.76円	310.08円	<b>431.40円</b>	-	-

## Reasons for Revision of Earnings Forecast

### ▶ Sales · Operating Profit

Growth beyond special demand in FY4/2022

**continuation**

Growth of existing customers through improved analysis accuracy

**continuation**

Developing new clients by leveraging existing clients' performance

\* The impact of the consolidation of Net Marketing PL on FY4/2023 is negligible since the consolidation of Net Marketing PL is scheduled to begin in May 2023.

# Our purpose: Turning point in the industry

- As the market leader in LTV marketing, we will provide solutions to overcome challenges in the industry and lead the **transition of the 3-trillion-yen online advertising market to LTV marketing.**

## Client Needs: Increase LTV and Optimize Marketing ROI

### Current challenges facing the online advertising market

3tn yen market

#### Results

Advertising costs do not necessarily lead to increased sales

Cost: Charging system based on ad delivery and clicks  
KPI: Number of leads, user acquisition costs

#### Data

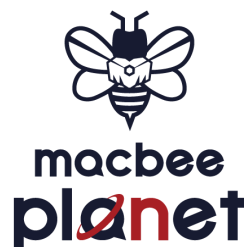
Lower data accuracy due to cookie regulations

Higher acquisition cost and lower ROI due to less accurate ad targeting

#### Skills

Ad management depends on individual skills

Results vary depending on the skill of the person in charge



### LTV marketing

#### Results

Performance-based compensation **directly linked to long-term sales**

Cost: Performance-based compensation based on sales/LTV  
KPI: Number of recurring users, LTV & ROI

#### Data

**Proprietary data acquisition technology**

Because our data acquisition does not rely on 3rd party cookies, we can generate stable results even after the cookie regulation comes into force.

#### Skills

**Optimization through AI**

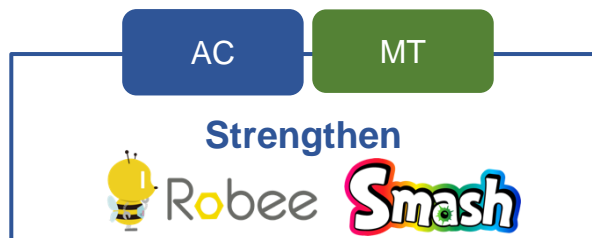
Instantly turns employees into team assets and increases productivity  
High service quality independent of the experience of the person in charge

# Progress with Medium-term Management Strategy

- Gross profit margin improved due to improved LTV forecasting accuracy and advertising efficiency. Headcount is increasing steadily, laying the groundwork for growth in FY04/2024 and beyond.

## Product strategy

- ① Raise LTV improvement capability even further

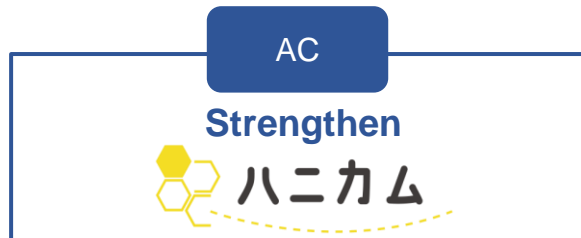


Improved acquisition efficiency and gross margin through collaboration with AC business



Improved accuracy of analysis by utilizing developed technology to acquire data

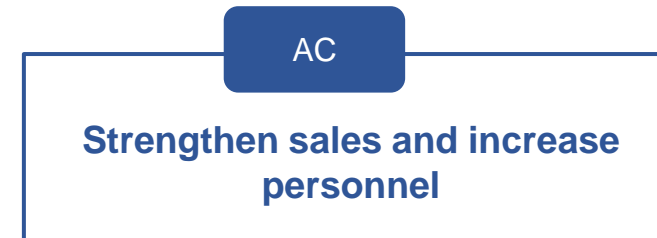
- ② Implement AI for data analytics and consulting



PoC is progressing well and is being introduced to several companies

## Sales strategy

- ③ Accelerate expansion into other industries



Expand into other industries



Growth of new industries (e.g., human resources)



Expansion to customers in various (M&A)

number of personnel



The number of personnel increased by 16



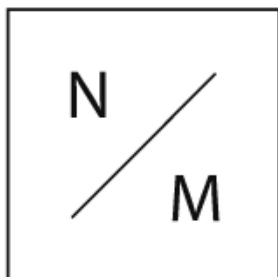
Acquire employees for advertising business + 63人(M&A)

**Acquired the advertising  
business of Net Marketing**



# Overview of the Net Marketing Advertising Business

- Became wholly owned subsidiary on March 6th, 2023. PL consolidation is scheduled to begin in May 2023 and BS consolidation at the end of April 2023.



<b>Company</b>	Net Marketing Co, Ltd.			
<b>Acquisition equity</b>	100%			
<b>Business</b>	Internet advertising agency ※The media business operated by the company is scheduled to be spun off and is not subject to acquisition.			
<b>Business scale</b>	Net Sales : JPY 11.7 billion (FY22.6)			
<b>Acquisition Price</b>	JPY 5.37 billion			
<b>financing</b>	Amount borrowed	① JPY 2.0 billion*	② JPY 1.87 billion	③ JPY 1.5 billion
	Borrowing Period	1 month	84 months	12 months (Scheduled to continue for 7 years)

\*Scheduled to be repaid from a portion of Net Marketing's excess cash.

# Contribution to consolidated results for the FY04/24

- Collaboration with Net Marketing will begin in March 2023. Synergies are expected from the next fiscal year.

Will be disclosed at the time of announcement of full-year financial results for the FY04/23, considering progress on goodwill and PMI

## Debt financing

Borrowed from bank in full

## Integration costs

Scheduled to be recorded in 4Q FY4/2023 and FY4/2024

## Goodwill

Around 2 billion

## Goodwill amortization period

Around 7 years

## Consolidated results (Plan)

BS: End of April 2023  
PL: From May 2024



# Purpose of acquisition of Net Marketing

- Increase the speed of our growth and industry turnaround by acquiring clients and personnel.



**Become a Leading Company of LTV Marketing**

\*1 Number of full-time employees of Macbee Planet as of 3Q FY4/11

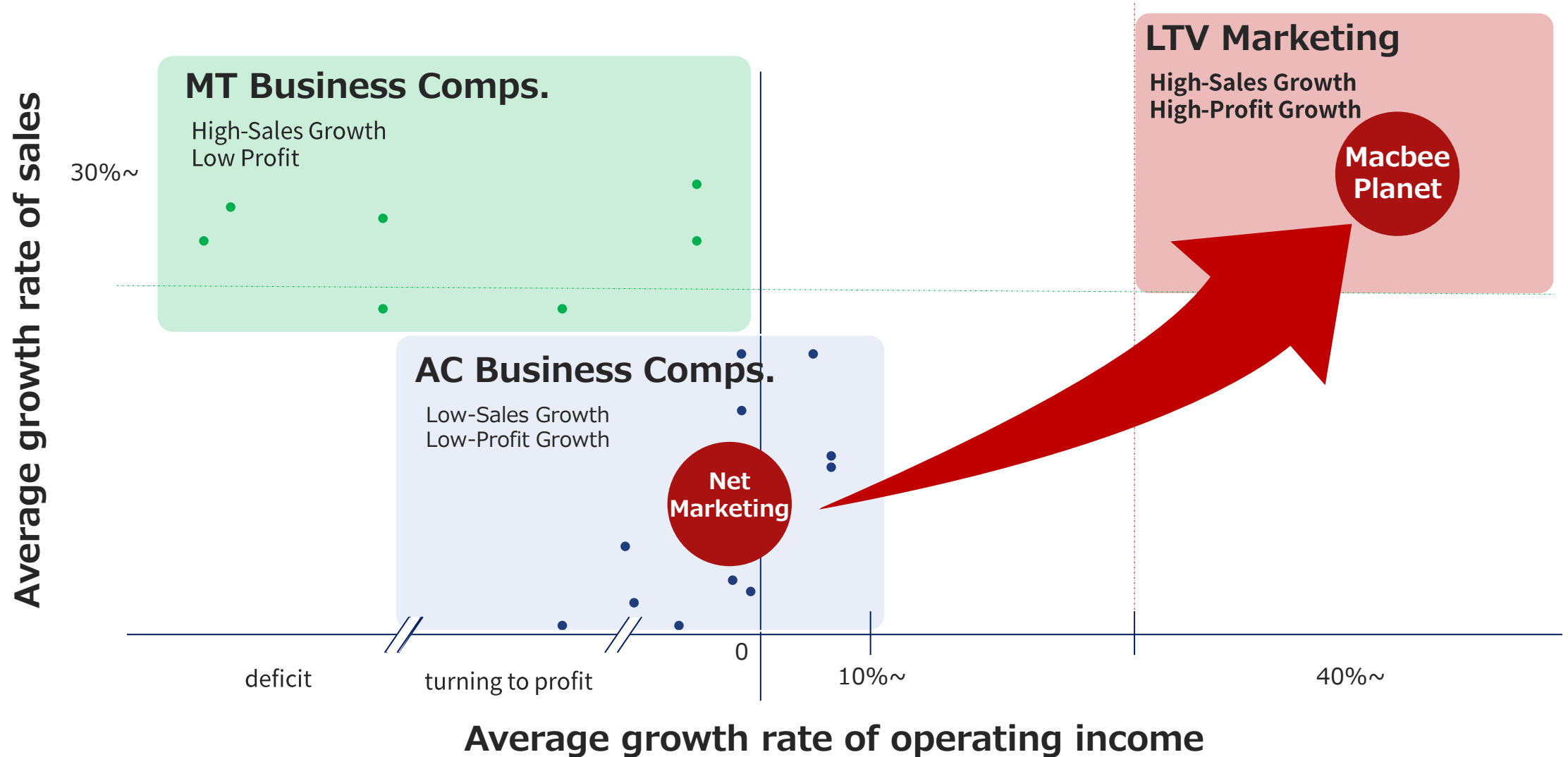
\*2 Number of full-time employees in Net Marketing as of March 31st, 2023

\*3 Our Forecast for the FY04/23

\*4 Net sales of the Internet Marketing and Advertising Business for the FY06/22

# Positioning

- Achieve high growth by providing our know-how and technology to online marketing same as AC business and converting it to high growth LTV marketing.



# Similarities and Differences Between Net Marketing and Our Company

- There are similarities between Net Marketing's advertising business and our AC business. We will improve Net Marketing's value through our technology.

## Client Needs: Increase LTV and Optimize Marketing ROI

Net Marketing advertising business

LTV Marketing

Results Affiliate advertising

Similarities

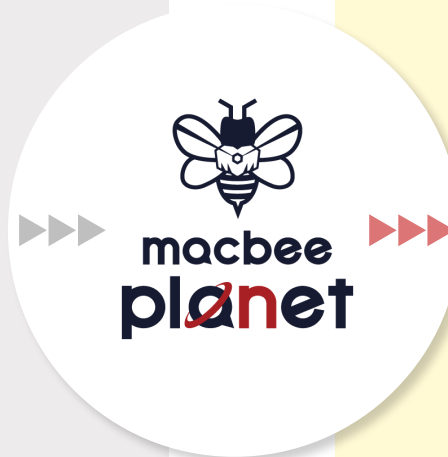
Results Performance-based compensation directly linked to long-term sales

Data Affected by cookie regulations

Data Proprietary data acquisition technology

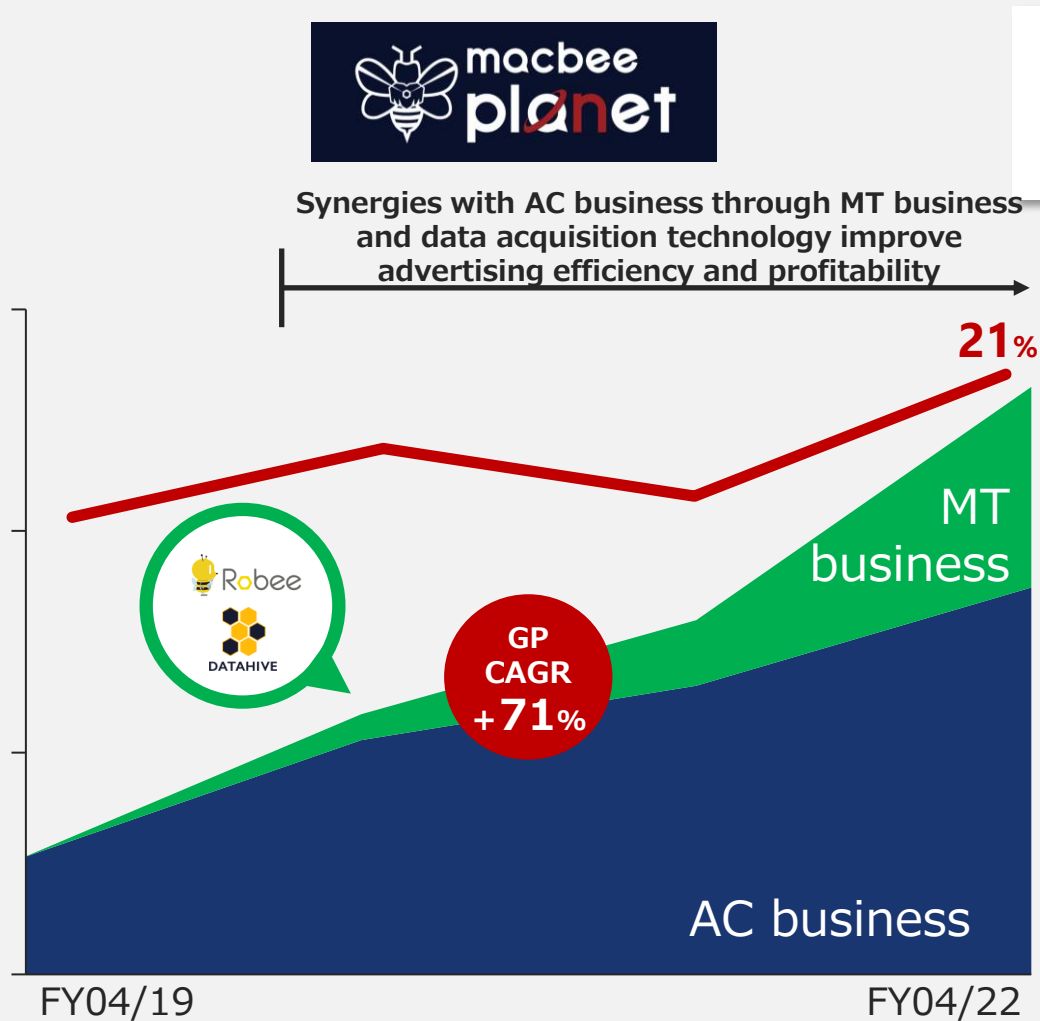
Skills Optimization by people

Skills Optimization by AI and technology (Under development)

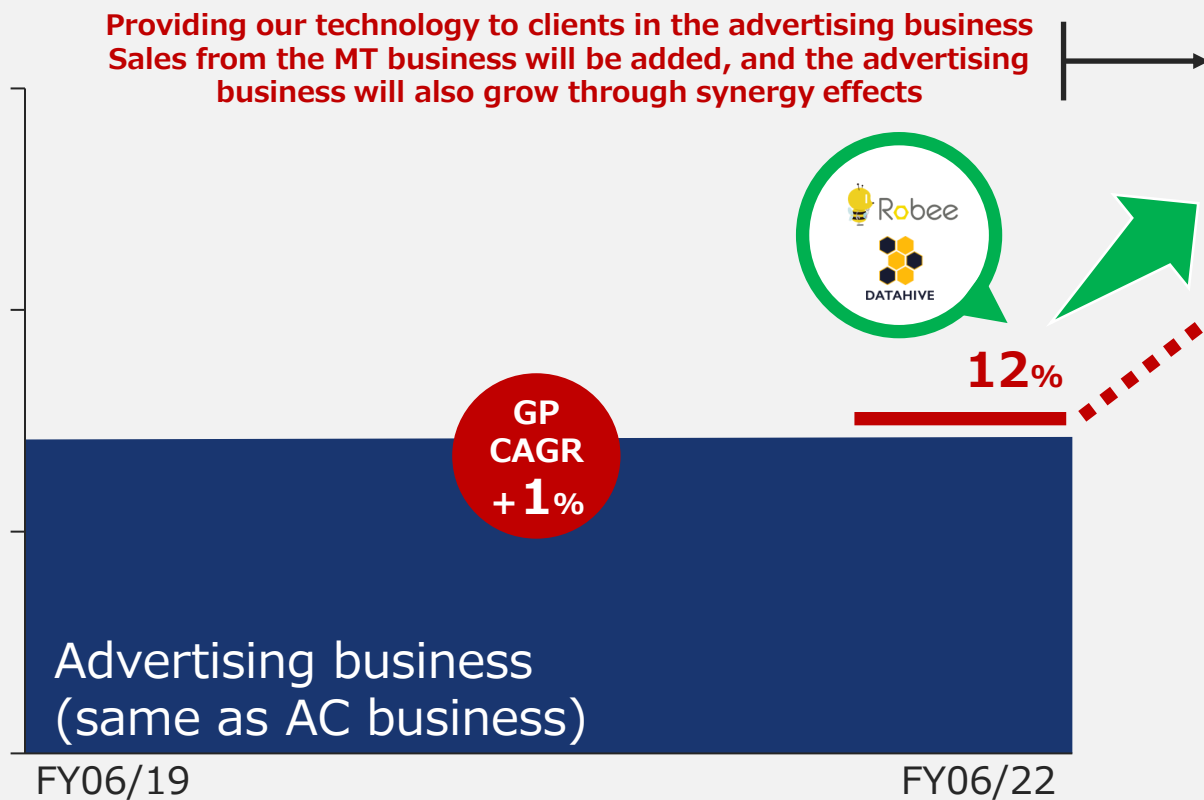
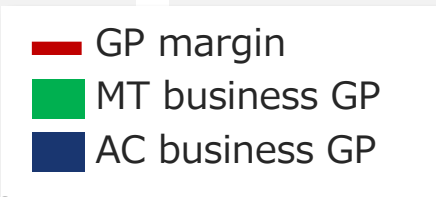


# Improve advertising efficiency and profitability through MT business

- Providing our technology and products to Net Marketing's clients in the advertising business will add to the sales of the MT business.



Gross Profit Trends



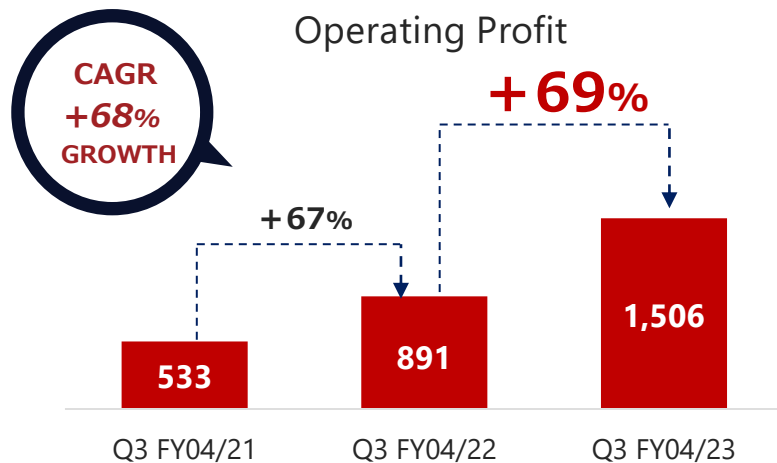
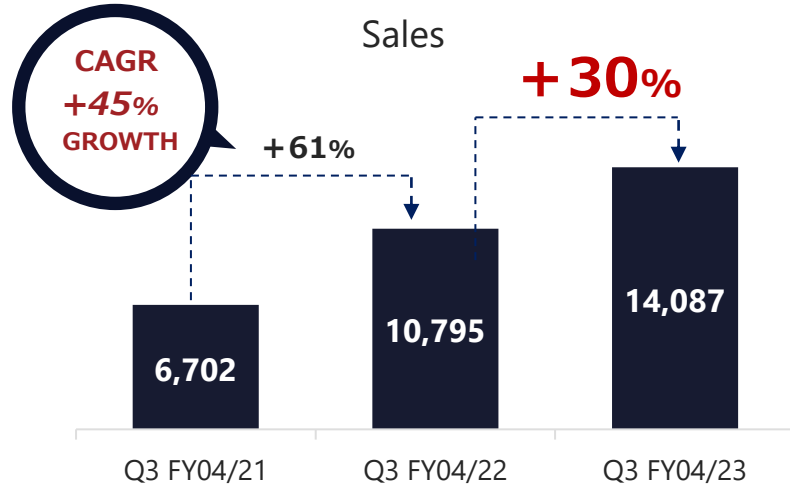
Gross Profit Trends



# Q3 FY04/23 Financial Results

# Q3 FY04/23 Results Summary

- Compared to FY4/2022, we maintained a high operating profit growth rate through measures utilizing data technology. High profitability is expected to continue in the future.



(Millions of yen)

	FY04/23 Previous Forecast	FY04/23 Revised Forecast	Q3 FY04/22 Actual	Q3 FY04/23 Actual	Progress rate vs. Previous plan (%)	Progress rate vs. Revised plan (%)	YoY Change (%)
Sales	17,000	19,000	10,795	<b>14,087</b>	83%	74%	<b>+30%</b>
Operating profit	1,600	2,050	891	<b>1,506</b>	94%	73%	<b>+69%</b>
OP margin	9.4%	10.8%	8.3%	<b>10.7%</b>	-	-	+2.4pt

# Breakdown of YoY

■ Sales and operating income grew, and operating margin improved while investing in growth.

(Millions of yen)	Q3 FY04/22 Actual	Q3 FY04/23 Actual	YoY Change	YoY Change (%)
Sales	10,795	14,087	+3,291	<b>+30%</b>
Gross Profit	1,892	2,983	+1,091	<b>+58%</b>
Gross profit in AC business	1,286	1,774	+487	<b>+38%</b>
Gross profit in MT business	605	1,208	+603	<b>+100%</b>
SG&A expenses	1,000	1,477	+476	+48%
Personnel	404	545	+140	+35%
Recruiting & education expenses	31	52	+21	+70%
System usage fee	30	96	+65	+220%
Rent expenses on land and buildings	30	54	+23	+80%
Others	505	730	+225	+45%
Operating Profit	891	1,506	+614	<b>+69%</b>
OP margin	8.3%	<b>10.7%</b>	+2.4%	-

Both businesses grew more than planned due to technological advancements

► **AC Gross Profit YoY +38%**

- Wellness (brick and mortar) industry continues to grow steadily
- Newly acquired customers grew steadily  
New projects in industries with proven track records, such as securities and banking, contributed to sales. New industry projects such as human resources, personal gyms, and education also remained strong.

► **MT Gross Profit +100%**

- Growth due to synergies with AC business as a result of Robee's reorganization
- Improved accuracy of analysis and increased results through the use of proprietary data acquisition technology

► **SG&A**

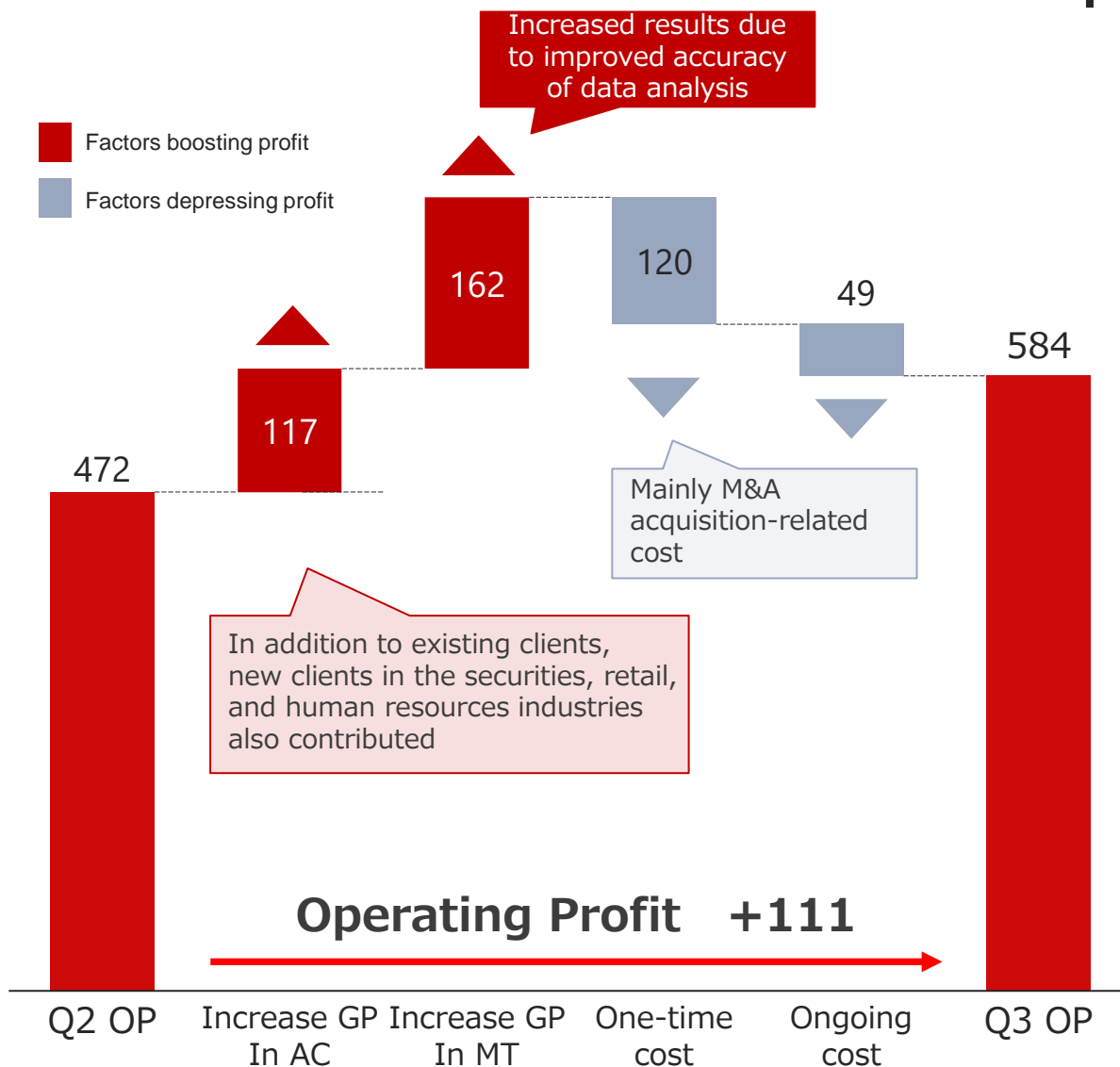
- Personnel : increase in number of employees +140M
- System usage fee: DATA infrastructure construction +65M
- Rent expenses : Increased floor space in anticipation of headcount expansion +23M
- Others : M&A acquisition-related expenses, etc. (including one-time items)

► **Operating Profit YoY +69%**

- Profit grew through business growth
- Synergies between AC x Robee have improved gross profit margin

# Breakdown of QonQ Change in Operating Profit

■ In addition to growth in new customers in the AC business, gross profit in the MT business increased due to improved accuracy of data analysis.

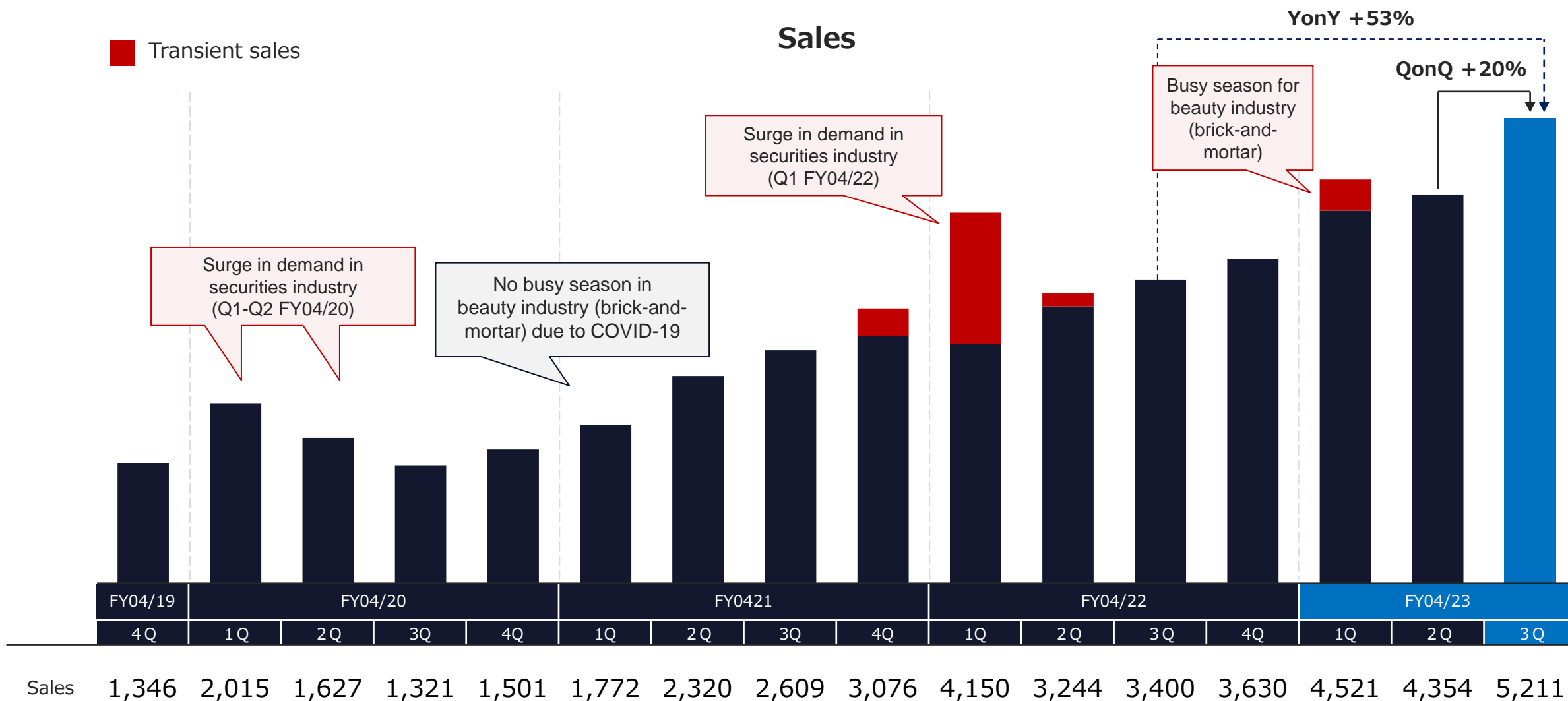


	Q2 FY04/23 Actual	Q3 FY04/23 Actual	QonQ Change	QonQ Change (%)
Sales	4,354	5,211	+ 857	+ 20%
Gross Profit	893	1,173	+ 279	+ 31%
Gross profit in AC business	565	683	+ 117	<b>+ 21%</b>
Gross profit in MT business	328	490	+ 162	<b>+ 49%</b>
SG&A	421	589	+ 168	+ 40%
one-time cost	0	120	+ 120	-
Ongoing cost	421	470	+ 49	+ 12%
Operating Profit	472	584	+ 111	<b>+ 24%</b>
OP margin	10.8%	11.2%	+ 0.4pt	-



# Quarterly Net Sales

■ High growth achieved through data utilization. Steady sales growth continues.



\*Consolidated financial statements were introduced at the end of FY04/21. Thus, figures before Q3 FY04/21 are non-consolidated.



# Business Performance



# Performance Trends

(Millions of yen)	FY04/21				FY04/22				FY04/23		
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q
Net sales	1,772	2,320	2,609	3,076	4,150	3,244	3,400	3,630	4,521	4,354	5,211
(YoY)	-12.1%	+42.6%	+97.5%	+104.9%	+134.2%	+39.8%	+30.3%	+18.0%	+8.9%	+34.2%	+53.3%
Gross profit	305	373	404	513	575	664	652	757	915	893	1,173
(Gross profit margin)	17.2%	16.1%	15.5%	16.7%	13.9%	20.5%	19.2%	20.9%	20.3%	20.5%	22.5%
(YoY)	-11.0%	+26.1%	+54.4%	+89.2%	+88.4%	+77.7%	+61.2%	+47.5%	+59.2%	+34.5%	+79.9%
SG&A expenses	168	175	206	261	241	359	399	411	466	421	589
Personnel expenses	109	108	115	95	118	131	155	160	173	175	195
Advertising expenses	6	9	14	9	12	3	7	4	2	4	13
Recruiting & Education expenses	9	11	8	18	5	11	13	21	13	24	15
R&D expenses	-	-	-	-	9	5	3	3	3	3	1
Depreciation & amortization	2	3	3	4	4	5	7	9	6	9	8
M&A-related expenses	-	-	-	-	-	85	41	41	41	41	71
System outsourcing expenses	4	10	9	7	9	12	9	8	5	4	3
Other Expenses	35	32	54	126	81	104	160	162	220	157	279
Operating profit	137	198	197	252	333	304	253	346	449	472	584
(Operating profit margin)	7.7%	8.6%	7.6%	8.2%	8.0%	9.4%	7.4%	9.5%	9.9%	10.8%	11.2%
(YoY)	-35.0%	+72.6%	+177.4%	-	+143.4%	53.5%	+27.8%	+37.4%	+34.8%	+54.9%	+130.8%

\*Consolidated financial statements were introduced at the end of FY04/21. Thus, figures before Q3 FY04/21 are non-consolidated.

# Financial Results by Segment

(Millions of yen)	FY04/21				FY04/22				FY04/23		
	1 Q	2Q	3Q	4Q	1Q	2Q	3Q	4 Q	1 Q	2Q	3Q
Net Sales	1,772	2,320	2,609	3,076	4,150	3,244	3,400	3,630	4,521	4,354	5,211
AC business	1,702	2,237	2,535	3,003	4,044	2,992	3,132	3,329	4,129	4,025	4,744
MT business	69	83	73	72	105	251	267	300	391	328	490
Gros Profit	305	373	404	513	575	664	652	757	915	893	1,173
(GP margin)	17.2%	16.1%	15.5%	16.7%	13.9%	20.5%	19.2%	20.9%	20.3%	20.5%	22.5%
AC business	238	290	331	440	472	425	388	458	525	565	683
(AC GP margin)	14.0%	13.0%	13.1%	14.7%	11.7%	14.2%	12.4%	13.8%	12.7%	14.1%	13.8%
MT business	66	82	72	72	102	238	263	299	390	328	490
(MT GP margin)	96.1%	99.5%	98.6%	99.9%	97.2%	95.0%	98.5%	99.6%	99.6%	99.9%	100%
Operating Profit	137	198	197	252	333	304	253	346	449	472	584
(OP margin)	7.7%	8.6%	7.6%	8.2%	8.0%	9.4%	7.4%	9.5%	9.9%	10.8%	11.2%
AC business	192	232	283	364	388	338	310	348	397	465	544
(AC segment profit margin)	11.3%	10.4%	11.2%	12.1%	9.6%	11.3%	9.9%	10.5%	9.6%	11.6%	10.9%
MT business	45	51	21	6	67	74	157	189	279	233	397
(MT segment profit margin)	64.9%	62.3%	28.9%	8.6%	64.1%	29.5%	58.9%	62.9%	71.2%	71.0%	75.2%
Adjustments	-100	-86	-106	-118	-122	-107	-215	-191	-226	-226	-358

\*Consolidated financial statements were introduced at the end of FY04/21. Thus, figures before Q3 FY04/21 are non-consolidated.

# Sales Ratio by Industry

(Millions of yen)	FY04/21								FY04/22								FY04/23					
	1Q		2Q		3Q		4Q		1Q		2Q		3Q		4Q		1Q		2Q		3Q	
	(JPY mn)	Ratio	(JPY mn)	Ratio	(JPY mn)	Ratio	(JPY mn)	Ratio	(JPY mn)	Ratio	(JPY mn)	Ratio	(JPY mn)	Ratio	(JPY mn)	Ratio	(JPY mn)	Ratio	(JPY mn)	Ratio	(JPY mn)	Ratio
ALL	1,772	-	2,320	-	2,609	-	3,076	-	4,150	-	3,244	-	3,400	-	3,630	-	4,521	-	4,354	-	5,211	-
Finance	581	33%	969	42%	1,240	48%	1,894	62%	2,935	71%	1,713	53%	1,540	45%	1,798	50%	2,118	47%	2,120	49%	2,624	50%
Banks	197	11%	256	11%	244	9%	382	12%	312	8%	461	14%	398	12%	606	17%	692	15%	734	17%	887	17%
Securities	352	20%	627	27%	910	35%	1,418	46%	2,567	62%	1,208	37%	1,094	32%	1,142	32%	1,375	30%	1,334	31%	1,667	32%
Other financial	31	2%	85	4%	86	3%	94	3%	54	1%	43	1%	46	1%	50	1%	43	1%	48	1%	70	1%
Wellness	779	44%	1,083	47%	907	35%	685	22%	606	15%	519	16%	1,111	33%	1,049	29%	1,479	33%	1,527	35%	1,805	35%
Brick & Mortar	169	10%	181	8%	111	4%	144	5%	160	4%	199	6%	928	27%	819	23%	1,144	25%	1,280	29%	1,572	30%
Cosmetics EC	376	21%	591	26%	543	21%	379	12%	327	11%	220	7%	119	4%	178	5%	218	5%	157	4%	79	2%
Healthy food EC	420	13%	311	13%	251	10%	160	5%	119	3%	98	3%	62	2%	50	1%	74	1%	88	2%	152	3%
Others	410	23%	267	12%	461	18%	496	16%	607	15%	1,011	31%	749	22%	781	22%	923	20%	706	16%	782	15%

# Balance Sheet

(millions of yen)

	FY04/22	Q3 FY04/23 *	Change(amount)
Assets	<b>5,880</b>	<b>7,795</b>	+1,914
Current assets	<b>4,119</b>	<b>5,774</b>	+1,654
(Cash and deposits)	<b>(2,097)</b>	<b>(3,339)</b>	+1,241
Non-current assets	<b>1,761</b>	<b>2,021</b>	+260
Liabilities	<b>3,092</b>	<b>3,896</b>	+803
Current liabilities	<b>2,547</b>	<b>3,461</b>	+914
Non-current liabilities	<b>545</b>	<b>434</b>	-111
Net assets	<b>2,788</b>	<b>3,899</b>	+1,111
Shareholders' equity	<b>2,657</b>	<b>3,660</b>	+1,003

**Current ratio**

167%

**Equity ratio**

49%

\* Impact of Net Marketing consolidation and borrowings expected at the end of April 2023

# Business description

# Company Overview

<b>Company name</b>	<b>Macbee Planet, Inc. (7095)</b>
Establishment date	August 25th, 2015
Capital	404 million yen (as of end-Mar 202)
Business description	Provision of data-driven marketing analytics services
Head office location	3-11-11 Shibuya, Shibuya-ku, Tokyo
No. of employees	72 (as of end-Mar 2023)

## History

Aug. 2015	Established Macbee Planet, Inc.
Aug. 2015	Released data analytics platform “Honeycomb”
Nov. 2017	Released web customer service tool “Robee”
Mar. 2020	Listed on Mothers(Growth) section of the Tokyo Stock Exchange
Mar. 2021	Established Smash Co., Ltd.
Aug. 2021	Made Alpha, Inc. a wholly owned subsidiary
Mar. 2023	Made NetMarketing, Inc. a wholly owned subsidiary



## What we want to achieve

# Predict LTV\* and achieve optimal ROI \*

### \*What is Lifetime Value (LTV)?

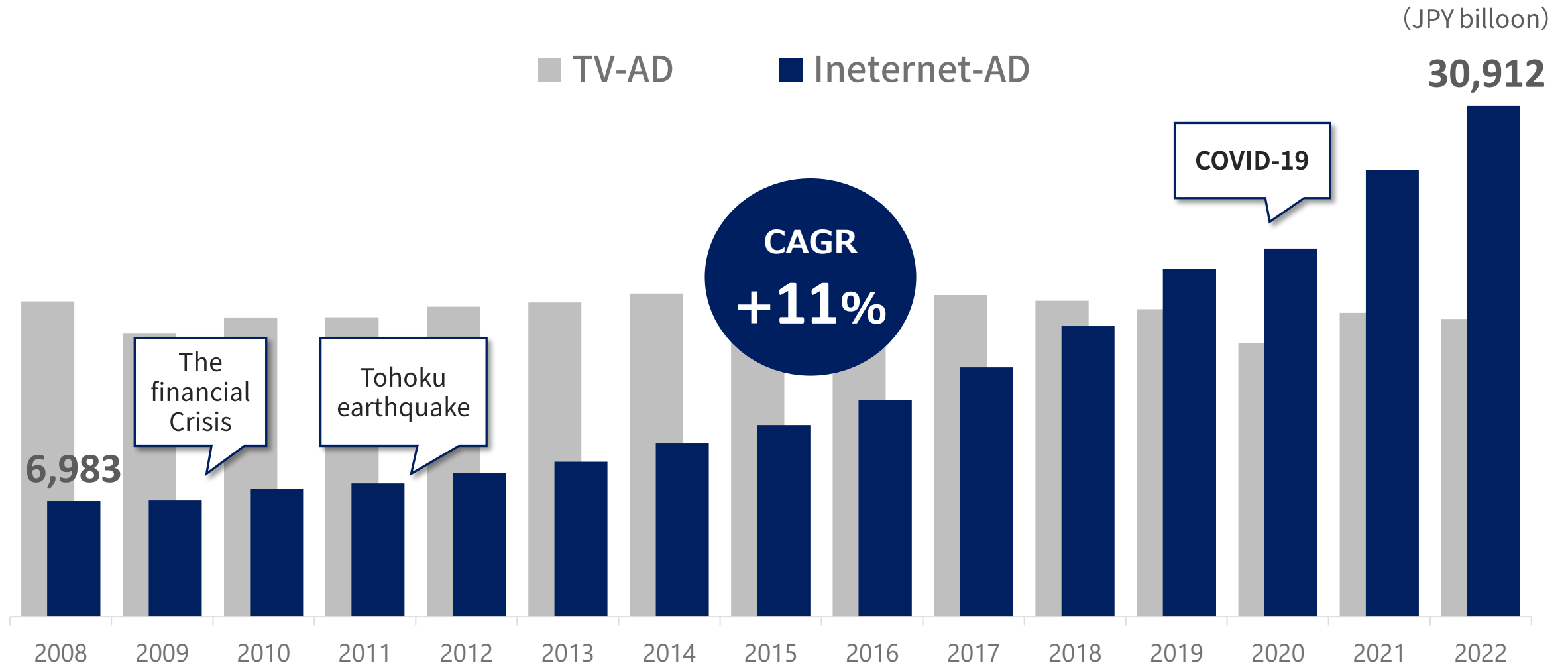
LTV refers to the profit that a user (consumer) brings to a company throughout their lifetime, and is a measure used in calculating the cost that can be spent to acquire one user.

### \* What is Return On Investment (ROI)?

A measure of how much profit can be made on an investment.

# Internet Advertising Market Size Trends

■ The 3 trillion yen market continues to grow by double digits despite numerous recessions. High growth is expected to continue.



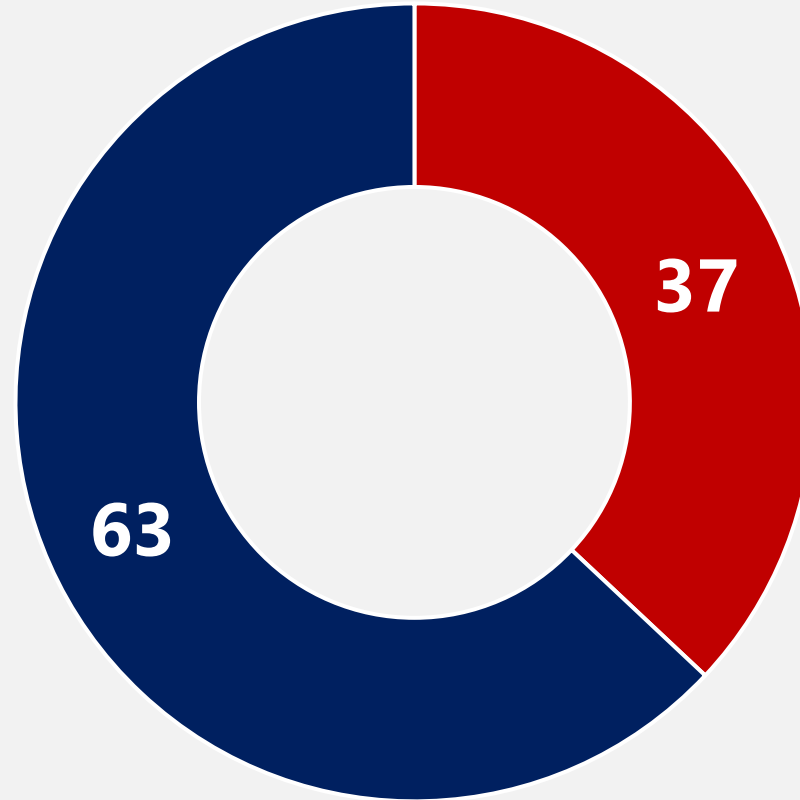
Source: Dentsu, "Advertising Expenditures in Japan"

# Challenges in the Internet Advertising Market

■ There is significant room for improvement, as approximately 40% of the advertising budget is distributed to people who do not become customers, wasting advertising dollars.

Directed to  
Right audience

**63%**



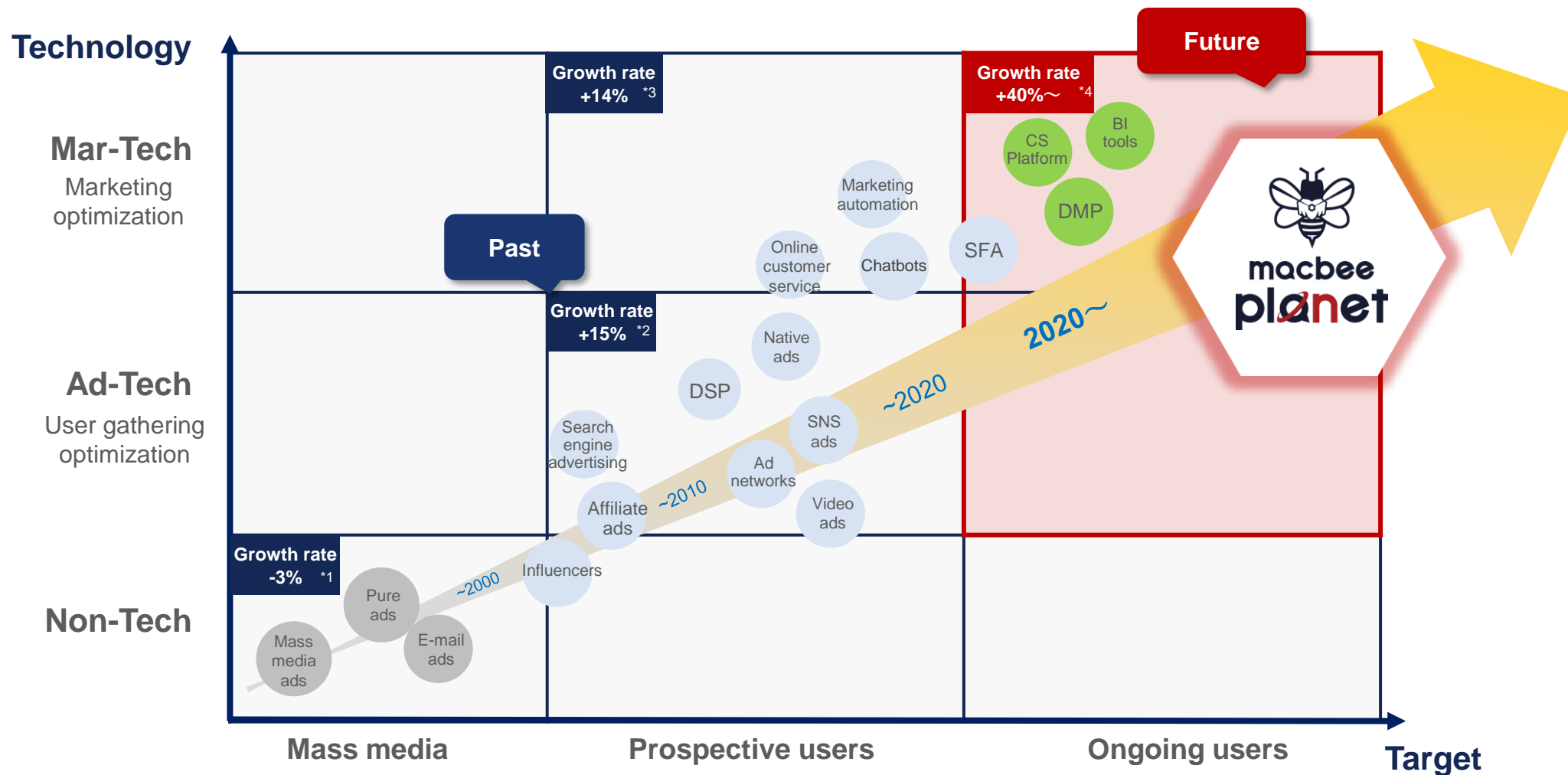
Directed to  
Wrong audience

**37%**

Source: Nielsen The2022 ROI Report For advertisers

# Positioning

Unlike traditional **quantity-oriented marketing** which other agencies offer, we focus on the **quality of customer**.  
We will continue to achieve rapid growth by reshaping Japan's marketing landscape.

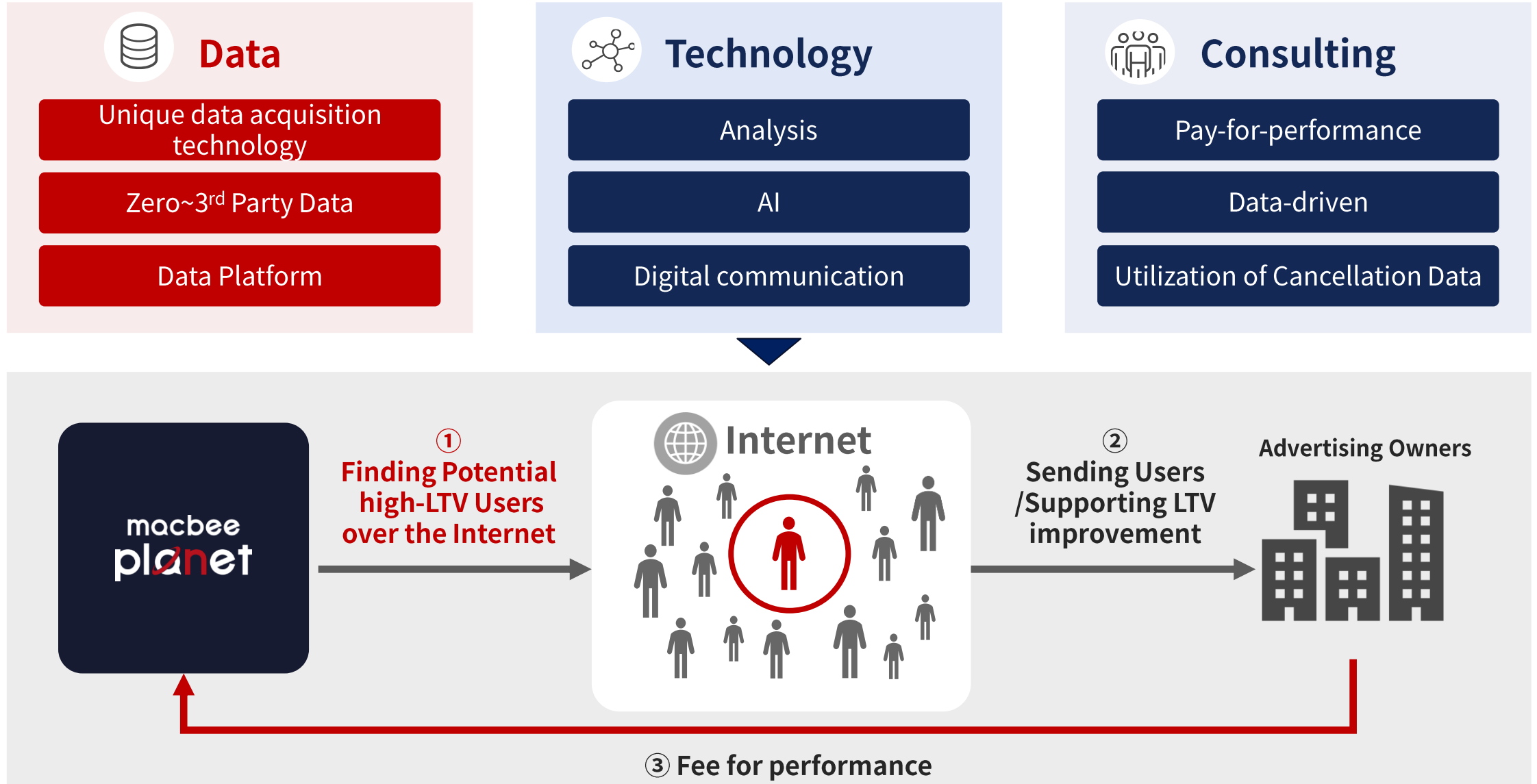


\*1 Traditional market expenditures in “2021 Advertising Expenditures in Japan” (Dentsu)  
\*2 Traditional market expenditures in “2021 Internet Advertising Expenditures in Japan” (Dentsu)

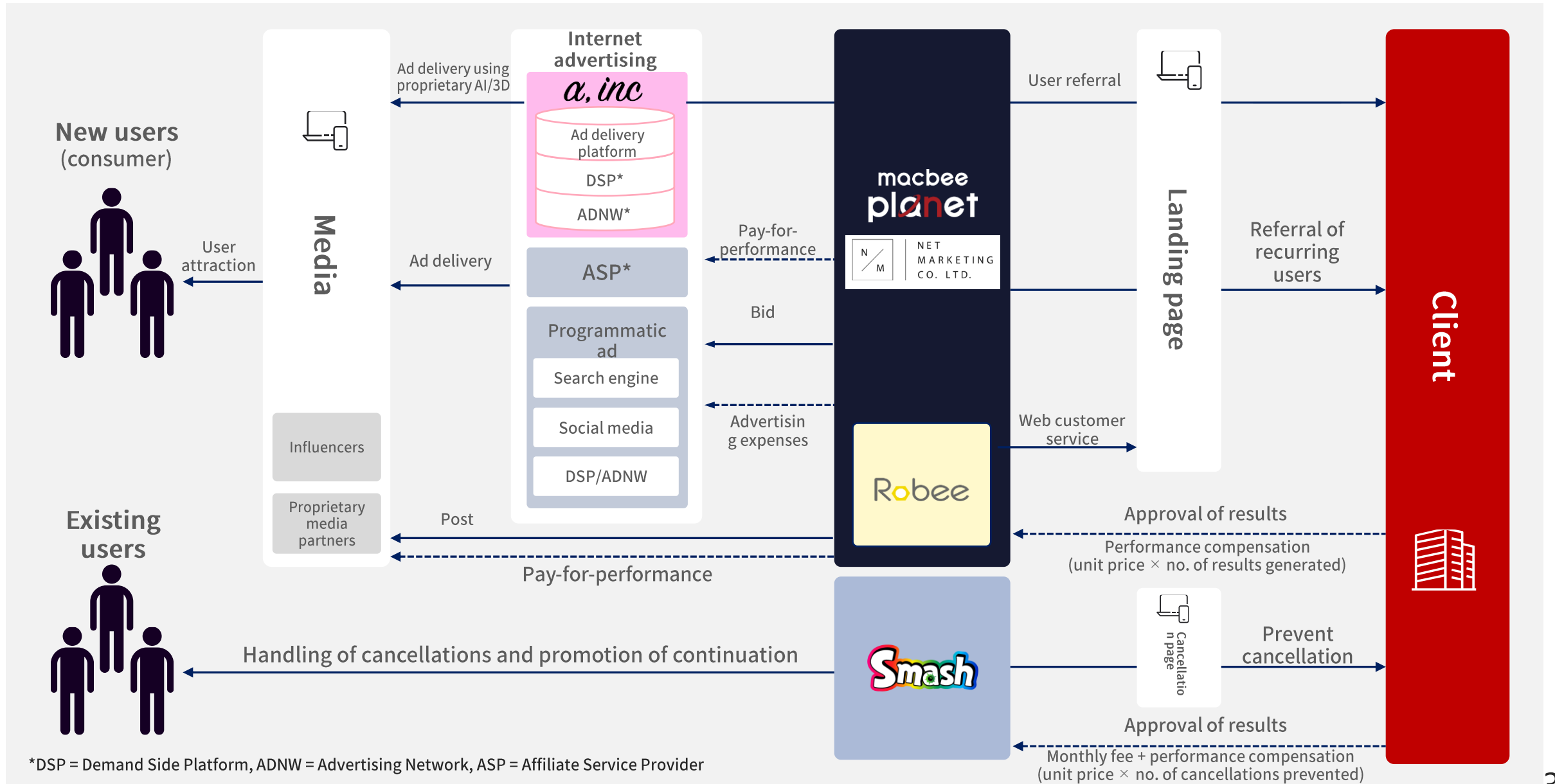
\*3 “Movement in scale of online customer service market and forecasts” (ITR) and “DMP (Data Management Platform) & MA (Marketing Automation) Market 2020” (Yano Research Institute)  
\*4 Macbee Planet Sales CAGR (FY04/18 to FY04/22)

# Business Model

Attract high-LTV users with a pay-for-performance model



# Business process diagram

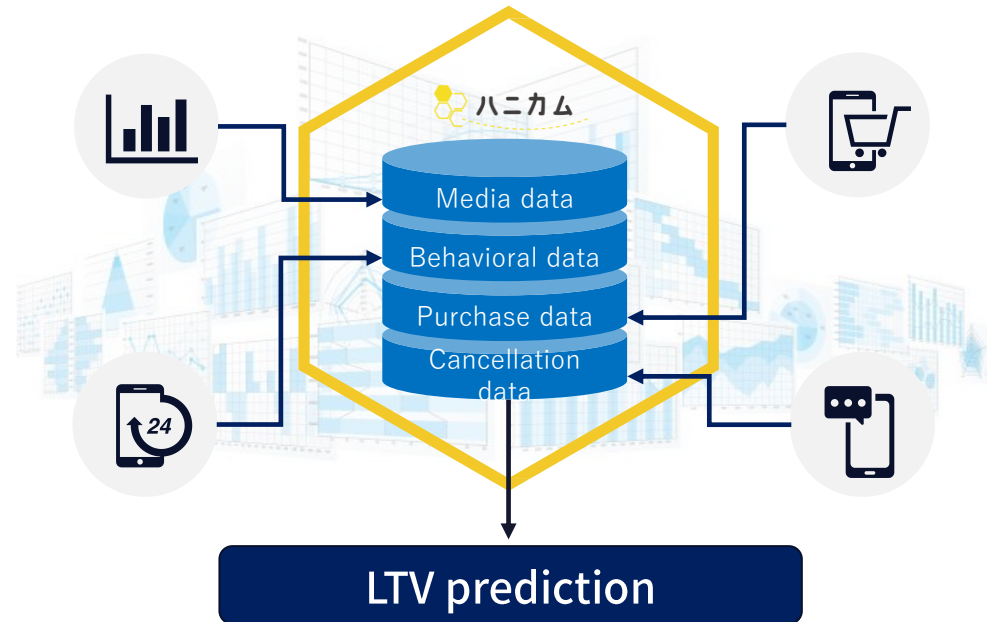


# Analytics Consulting business

We attract users on a **pay-for-performance** basis using LTV predictions built with data analytics.

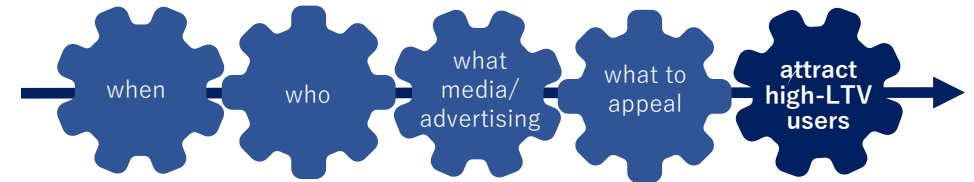
## 1 LTV data analytics

Data obtained from media and in-house tools are analyzed in order to identify the attributes of high-LTV users.



## 2 Use data to attract users on a pay-for-performance basis

Based on the data, our consultants plan and implement ways to attract new users on a fully pay-for-performance basis.



Unit price of performance compensation ×  
No. of results generated

Costs: Media publishing costs  
Gross profit margin: Approx. 15%



# Marketing Technology business

Improve LTV by **raising the LTV of new customers** and **lowering the cancellation rate of existing customers**. Optimize ad delivery by using **AI and 3D technology**.

## 1 Convert attracted users into customers

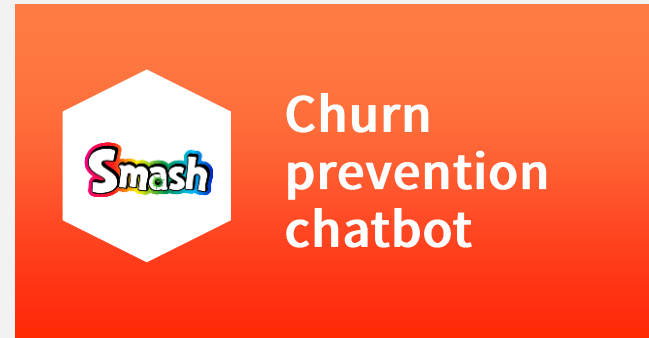
Robee provides customer service to attracted users and converts them into high LTV customers.



¥ Fixed monthly rate or Performance compensation

## 2 Prevent existing customers from churning

A chatbot is used to encourage existing users considering canceling to continue, thereby reducing the churn rate and improving LTV.



¥ Fixed monthly rate or Monthly fee + Performance compensation

## 3 AI-powered ad delivery

Ad delivery using proprietary AI-powered delivery algorithms and 3D creatives



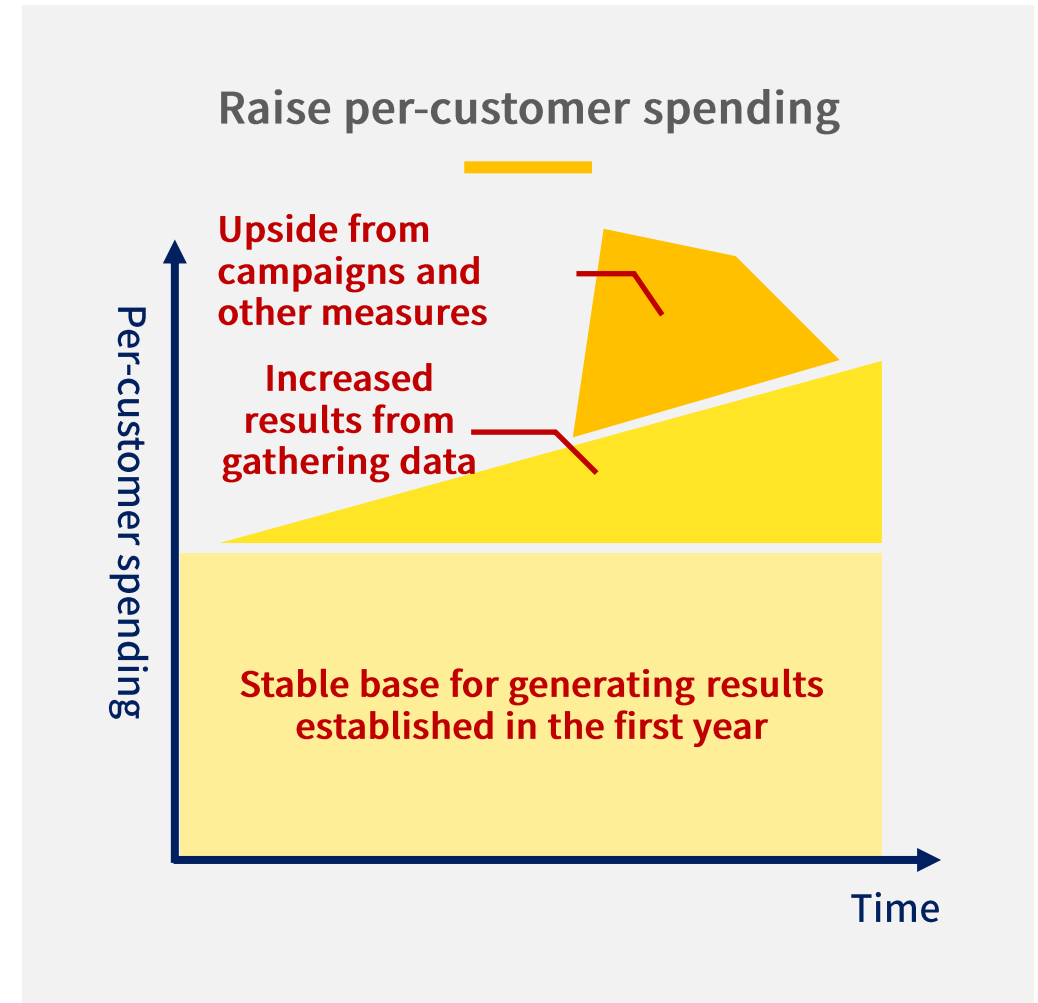
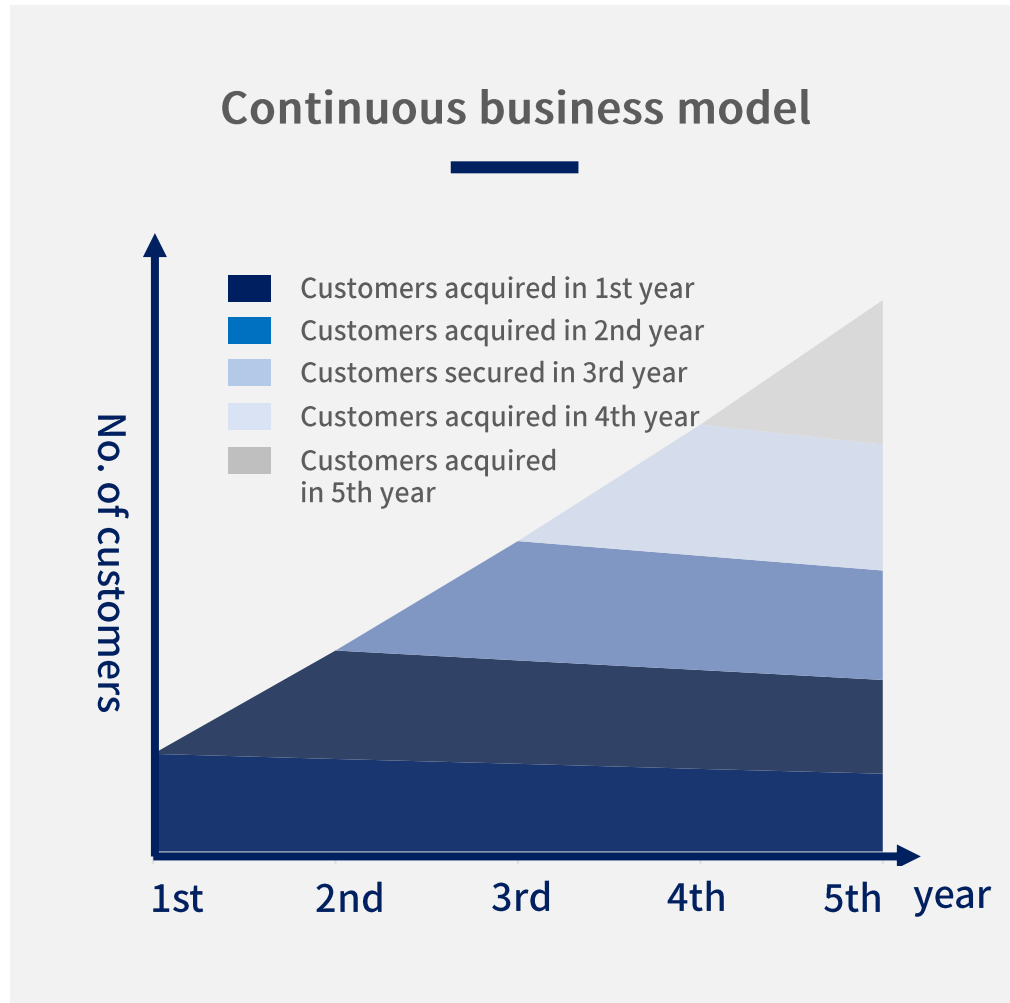
¥ Depends on ad delivery volume

Gross profit margin: Over 95%



# Business characteristics

We accelerate growth by **increasing new customers and raising per-customer spending.**



# Disclaimer

This document contains forward-looking statements based on information available to the Company at the time it was prepared and involves risks and uncertainties. As such, these statements do not guarantee future business results or outcomes.

Actual results may differ materially from the forward-looking statements in this document due to changes in the business environment or other factors.

The above risks and uncertainties include, but are not limited to, factors such as economic conditions in Japan and overseas, and trends in the industries in which the Company operates.

The Company shall assume no obligation to update or revise any forward-looking statements contained in this document, even if new information or events occur in the future. The information contained herein, other than about the Company, is quoted from publicly available information, and the Company does not guarantee the accuracy or appropriateness of such information.