June 3, 2021

Company: SKYLARK HOLDINGS CO., LTD.
Representative: Makoto Tani, Chairman, President & CEO
(Securities Code: 3197; TSE First Section)
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Notice Regarding Determination of the Number of Shares to be Issued

SKYLARK HOLDINGS CO., LTD. (the "Company") hereby announces that in connection with the issuance of its new shares which was resolved at the board meeting held on May 21, 2021, the number of new shares to be issued pursuant to the exercise of the option to purchase additional newly issued shares of common stock of the Company granted to the International Managers in the International Offering has been determined as follows.

The number of shares to be issued pursuant to the exercise of the option by the International Managers: 978,200 shares

Reference

1. Class and number of new shares to be offered by way of public offering

27,065,300 shares of common stock of the Company, being the aggregate of (i) through (iii) described below:

(i) 19,565,300 shares of common stock of the Company, issued for purchase by the Japanese Joint Lead Managers in the Japanese Public Offering;
(ii) 6,521,800 shares of common stock of the Company, issued for purchase by the International Managers in the International Offering; and
(iii) 978,200 shares of common stock of the Company to be issued pursuant to the exercise of the option to purchase additional newly issued shares of common stock of the Company granted to the International Managers in the International Offering.

2. Change in the total number of issued shares as a result of this public offering of newly issued shares

Total number of issued shares at present:	197,502,200 shares	(As of June 3, 2021)
Increase in number of shares by way of offering of new shares:	27,065,300 shares	
Total number of issued shares after offering of new shares:	224,567,500 shares	

In addition to the above, the Company may additionally issue up to 2,934,700 shares of its common stock on June 28, 2021 (Mon), by way of third-party allotment to the Designated Japanese Joint Lead Manager in connection with the offering by way of over-allotment.

3. Use of proceeds

Of the approximate maximum net total proceeds of 42,609,600,000 yen from the Japanese Public Offering, the International Offering, and the third-party allotment, (i) 3,000,000,000 yen is expected to be used by

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the end of December 2022 for capital expenditures for factory equipment to improve productivity and to implement new businesses, (ii) 6,000,000,000 yen is expected to be used by the end of December 2022 for capital expenditures for digital technology to improve customer convenience and restaurant productivity and implement new businesses, (iii) 6,000,000,000 yen is expected to be used by the end of December 2023 for capital expenditures for new restaurant openings in Japan and overseas, and (iv) 10,000,000,000 yen is expected to be used by the end of December 2023 for capital expenditures for brand conversions and renovations of existing restaurants, among other uses. Any remainder will be used by the end of July 2021 for repayment of short-term debt under the long-term commitment line agreement dated February 12, 2021.

For more information, please refer to the "Notice Regarding Issuance of New Shares and Secondary Offering of Shares" announced on May 21, 2021.

End.

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