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Company: Skylark Holdings Co., Ltd.
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(Securities Code: 3197; TSE Prime Market)
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Notice Regarding the Revisions of Consolidated Financial Forecast (IFRS) and Dividend Forecast for the Year Ended December 31, 2022

Skylark Holdings Co., Ltd. (the "Company") hereby announces the revision of the consolidated financial forecast for the fiscal year ending December 31, 2022, which was announced on February 14, 2022. Details are described below.

1. Revision of Consolidated Financial Forecast
   (1) Revised consolidated financial forecast for FYE December 2022 (January 1, 2022 to December 31, 2022)

	Revenue	Operating income	Income before tax	Net income attributable to owners of parent company	Basic earnings per share
	Million Yen	Million Yen	Million Yen	Million Yen	Yen
Previously announced forecast (A)	336,000	10,000	7,500	4,000	17.58
Revised forecast (B)	312,000	500	-2,000	-2,000	-8.79
Increase/decrease (B-A)	-24,000	-9,500	-9,500	-6,000	-26.37
Increase/decrease (%)	-7.1	-95.0	—	—	—

   (2) Reasons for the revision

Due to the prolonged impact of COVID-19, including the longer-than-expected application period of the pre-emergency government measures to prevent the spread of COVID-19, sales for the six-month period ended June 30, 2022 is trending at a lower level than the Company's initial targets. From current consumer trends, sales recovery is expected to take longer than initially planned, and thus, the Company has revised the previously announced consolidated sales forecast for the fiscal year ending December 31, 2022 downward.

Forecasts for operating income, income before tax and net income have also been revised downward due to sales decline from the above reason, the Japanese Yen depreciating beyond expectations, the impact of various prolonged inflationary events due to the unstable external environment, as well as recording of non-recurring costs (non-recurring loss related to salary calculation and impairment loss from store closures).

2. Revision of Dividends Forecast

(1) Revised dividends forecast for FYE December 2022 (January 1, 2022 to December 31, 2022)

	Annual dividends		
	End of second quarter	Year-end	Total
	Yen	Yen	Yen
Previously announced forecast	0.00	6.00	6.00
Revised forecast	0.00	TBD	TBD
(Reference) Actual dividend for FY2021	0.00	12.00	12.00

(2) Reasons for the revision

The Company's basic policy is to continue to pay dividends to shareholders while securing internal reserves in preparation for future business development and capital investment for improving corporate value. The Company's dividend policy is to pay stable dividends with the goal of "30% of adjusted net income".

Year-end dividend forecast for FYE December 2022 had been announced on February 14, 2022 to be 6.00 yen per share. However, in light of the downward revision in our forecast for net income as described above, the year-end dividend forecast will also be revised as undetermined.

(Note)

The forecasts contained in this report are based on information that was available to the Company as of the time of the issuance of this report and on certain assumptions about uncertainties that may have an impact on the future performance. Actual results may differ owing to various factors.

End.