December 12, 2024

Company: Skylark Holdings Co., Ltd.
Representative: Minoru Kanaya
President & Chief Operating Officer
(Securities Code: 3197; TSE Prime)
Contact: Investor Relations Team, Finance Division
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Notice Concerning Acquisition of Shares and Subsidiarizing of Createries Consultancy Sdn. Bhd.

Skylark Holdings Co., Ltd. (herein after "the Company") hereby announces that it has resolved, at a meeting of the Board of Directors held on December 12, 2024, to acquire all shares of Createries Consultancy Sdn. Bhd. and other related companies (herein after "CC Group") and subsidiarizing these companies. The details are described below.

1. Reasons for acquisition of shares of CC Group

The main reasons for the acquisition of shares of CC Group are as follows.

1) Speedy store development in Malaysia and other Southeast Asian countries

2) Synergy expected with Syabu-Yo brand operated by Skylark Malaysia Sdn. Bhd. (currently 5 stores)

1) Speedy store development in Malaysia and other Southeast Asian countries

CC Group operates extremely popular stores with long waiting lines in shopping malls in the Kuala Lumpur metropolitan area (currently 13 stores). These are sukiyaki and shabu-shabu restaurants which do not offer pork or alcohol, catered towards Muslim customers, and they differentiate themselves with other competitors through their know-how in being able to offer high quality meat at affordable prices, and are expected to further grow their store count going forward.

Skylark, on the other hand, has been operating Syabu-Yo, a shabu-shabu brand in Malaysia from August 2020, which offers pork and alcohol, catering to a wide range of consumers, including customers with a Chinese background.

By utilizing our funding capacities and our resources, we will quickly develop more stores within Malaysia through a two-brand strategy, one catering to Malay customers and the other catering to Chinese customers, as well as opening stores in the wider Southeast Asian countries.

2) Synergy expected with the Syabu-Yo brand

By having 2 shabu-shabu brands, we believe will be able to dramatically improve business efficiency by sharing in the areas of procurement, logistics, store design, staff training.

CC Group's "Suki-Ya" brand has been in operation in Malaysia for more than ten years, has wide recognition among consumers, and is not at all confused with other competitors. We do not plan on bringing the brand into Japan.

2. Overview of Createries Consultancy Sdn. Bhd.

(1)	Name	Createries Consultancy SDN.BHD.	KKT Consultancy SDN. BHD.	MKK2 Consultancy SDN.BHD.
(2)	Location	1A-3, Plaza Mayang, Jalan SS26/9, 47301 Petaling Jaya, Selangor, Malaysia	Level LG A-01-06 Dataran Cascades, Jalan PJU 5/1 Kota Damansara, 4780 Petaling Jaya, Selangor	Level LG A-01-06 Dataran Cascades, Jalan PJU 5/1 Kota Damansara, 4780 Petaling Jaya, Selangor
(3)	Job title and name of representatives	Director Wong Yoke Kand Anthony	Director Ng Kok Keong	Director Ng Kok Keong
(4)	Description of business	Control and management of holding companies		
(5)	Share capital	0 Million MYR	0 Million MYR	0 Million MYR
(6)	Date of foundation	February 26, 2018	September 29, 2020	May 19, 2023
(7)	Major shareholders and ownership ratio	Creative Eateries Overseas Pte.Ltd. 100.0%	Ng Kok Keong 100.0%	Ng Kok Keong 100.0%
(8)	Relationship between the Company and said company	Capital relationship	N/A	
		Personnel relationship	N/A	
		Business relationship	N/A	
(9)	Operating results and financial positions of CC Group (above three companies and 3 other related companies) for the last three years (Note 1)			
As of / Fiscal year ended		December 2022 (Million MYR)	December 2023 (Million MYR)	December 2024 (Forecasted) (Million MYR)
Net assets		10 (JPY 342 Million)	13 (JPY 445 Million	—
Total assets		17 (JPY 574 Million)	21 (JPY 715 Million	—
Net sales		53 (JPY 1,786 Million)	81 (JPY 2,718 Million)	103 (JPY3,466 Million)

Income before income taxes	14 (JPY 464 Million)	23 (JPY 768 Million)	32 (JPY 1,084 Million)
Profit attributable to owners of the parent	10 (JPY 348 Million)	17 (JPY 570 Million)	24 (JPY 802Million)
EBITDA	14 (JPY 487 Million)	24 (JPY 809 Million)	36 (JPY 1,200 Million)

(Note 1) CC Group does not create consolidated financial statements, so the above is a simple total of each item, and do not include offsetting of internal transactions. Also, forecasted figures for the fiscal year ending December 31, 2024 are based on information that was available as of the time of the issuance of this document and on certain assumptions about uncertainties that may have an impact on the future performance. Actual results may differ owing to various factors.

(Note 2) Exchange rate is calculated at 1 MYR = JPY 33.6517, the rate as of November 30, 2024.

3. Overview of the counterparty to the acquisition of shares

(1)	Name	Creative Eateries Overseas PTE. LTD.	
(2)	Location	211 Henderson Road #05-03 211 Henderson Singapore	
(3)	Job title and name of representative	Director Wong Yoke Kand Anthony	
(4)	Description of business	Control and management of holding companies	
(5)	Share capital	100 thousand SGD	
(6)	Date of foundation	March 9, 2005	
(7)	Net assets	271 thousand SGD	
(8)	Total assets	1,420 thousand SGD	
(9)	Major shareholders and ownership ratios	Creative Eateries Pte. Ltd. 100.0%	
(10)	Relationship between the Company and said company	Capital relationship	N/A
		Personnel relationship	N/A
		Business relationship	N/A
		Status as a related party	N/A

(1)	Name	Ng Kok Keong
(2)	Location	Kuala Lumpur, Malaysia

(3)	Relationship between the Company and the said individual	N/A

4. Number of shares acquired, acquisition costs, and shareholding before and after acquisition

(1)	Name of counterparty	Createries Consultancy SDN.BHD.	KKT Consultancy SDN. BHD.	MKK2 Consultancy SDN.BHD.
(2)	Number of shares held before the change	—	—	—
(3)	Number of shares to be acquired (Number of voting rights)	100 shares (100)	100 shares (100)	100 shares (100)
(4)	Acquisition cost	Undisclosed (Note)		
(5)	Number of shares held after the change (Number of voting rights) (Ratio of voting rights held: 100%)	100 shares (100) (100%)	100 shares (100) (100%)	100 shares (100) (100%)

Note: Specific amount of the transfer value will remain undisclosed, as the amount is less than 15% of both the consolidated net asset and net asset amount as of the end date of the fiscal year ended December 31, 2023, and due to a non-disclosure agreement between parties. The acquisition cost has been decided through a discussion by the parties involved, based on a reasonable assessment of the results of legal and financial due diligence processes.

5. Schedule

(1)	Date of resolution at the meeting of the Board of Directors	December 12, 2024
(2)	Date of conclusion of the agreement	December 12, 2024
(3)	Date of commencement of share transfer	January 2025 (Expected)

6. Future outlook

The acquisition of CC Group's shares as outlined above will have a limited impact on the Company's consolidated results for the fiscal year ending December 31, 2024. Impact on the fiscal year ending December 31, 2025 is currently being assessed. Should any matters arise in the future which require immediate attention, we will disclose such matters without delay.

7. Inquiries

For further inquiries, please contact the following.

Inquiries from individual investors and shareholders	Corporate Administration Division	TEL：+81-422-37-5220 Operation hours: 9am to 6pm (excluding Sat, Sun, and PH)
Inquiries from the media	Public Relations Office	TEL：+81-422-37-5310 (excluding Sat, Sun, and PH)
Inquiries from analysts and institutional investors	IR Team	TEL：+81-422-37-5244 (excluding Sat, Sun, and PH)

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