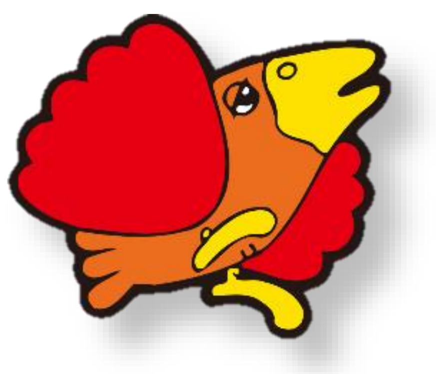
FY2026 Q2
Financial Results
Briefing



Skylark Holdings Co., Ltd.

August 13, 2026

Second Quarter (6 mo.) Financial Summary

Executive Summary

・Sales: 242.5 bn yen (+9.7% YoY), Business profit: 17.0 bn yen (+13.4% YoY)
Operating profit: 16.9 bn yen (+20.9% YoY), Net income: 10.2 bn yen (+29.2% YoY)

Unit: Bn yen

	Q2 FY2026 (6-months)		Q2 FY2025 (6-months)		YoY	
	Results	% of sales	Results	% of sales	Variance	% YoY
Sales	**242.5**	**100.0%**	**221.0**	**100.0%**	**21.5**	**+9.7%**
Gross margin	**161.4**	**66.6%**	**147.6**	**66.8%**	**13.8**	**+9.3%**
Business profit	**17.0**	**7.0%**	**15.0**	**6.8%**	**2.0**	**+13.4%**
Operating profit	**16.9**	**7.0%**	**13.9**	**6.3%**	**2.9**	**+20.9%**
Income before income tax	**14.7**	**6.0%**	**12.2**	**5.5%**	**2.4**	**+20.0%**
Net income	**10.2**	**4.2%**	**7.9**	**3.6%**	**2.3**	**+29.2%**
Adjusted EBITDA	44.8	18.5%	40.6	18.4%	4.2	+10.4%
ROE	10.2%	-	9.0%	-	1.2%	-

Q2 FY2026 Results (6 months)			
Same-store sales YoY	106.5%	**New stores**	21 stores
Same-store traffic YoY	101.6%	**Brand conversions**	26 stores
Same-store ATP YoY	104.8%	**Remodeling**	113 stores

※ Adjusted EBITDA = EBITDA + Loss on disposal of fixed assets + Impairment loss of non-financial assets − Reversal of impairment loss of non-financial assets + Public offering-related expenses

※ ROE is LTM (Last Twelve Month) base.

※ Same-store YoY figures are based on restaurants in Japan.

※ The number of stores is the total for Japan and overseas.

Consolidated Income Statement

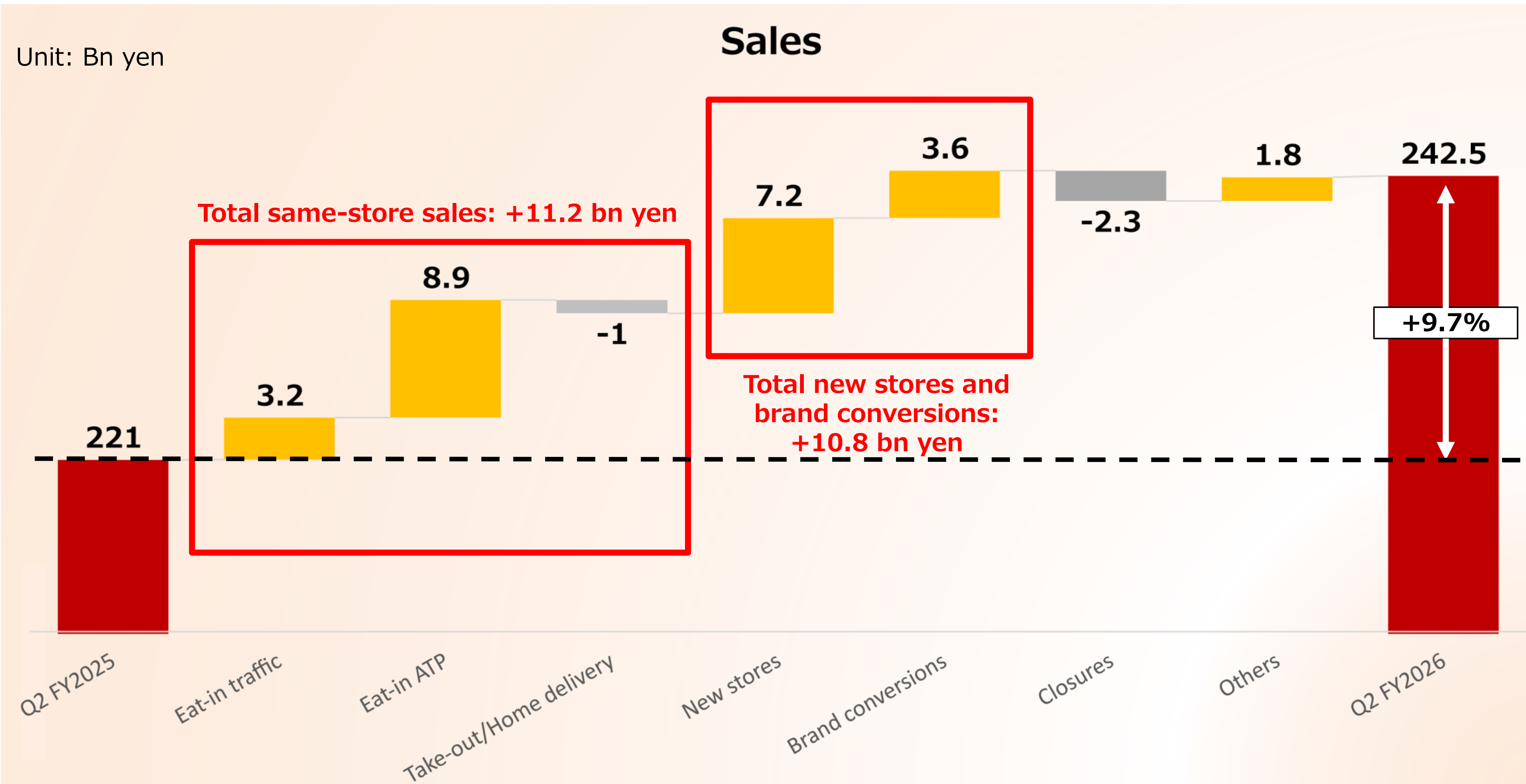
- **Sales increased by 9.7% YoY (+21.5 bn yen) to 242.5 bn yen.**
- **Business profit increased to 17.0 bn yen (+13.4%) due to higher sales.**

Unit: Bn yen

	Q2 FY2026 (6-months)		Q2 FY2025 (6-months)		YoY	
	Results	% of sale	Results	% of sale	Variance	% YoY
Sales	**242.5**	**100.0%**	**221.0**	**100.0%**	**21.5**	**+9.7%**
COGS	(81.1)	33.4%	(73.4)	33.2%	7.7	+10.5%
Gross margin	**161.4**	**66.6%**	**147.6**	**66.8%**	**13.8**	**+9.3%**
Labor cost	(77.8)	32.1%	(70.8)	32.1%	7.0	+9.9%
Other SG&A	(66.6)	27.5%	(61.8)	28.0%	4.8	+7.7%
Business profit	**17.0**	**7.0%**	**15.0**	**6.8%**	**2.0**	**+13.4%**
Non-operating income	1.2	0.5%	0.9	0.4%	0.2	+23.9%
Non-operating expenses	(1.3)	0.5%	(2.0)	0.9%	(0.7)	(34.7%)
Operating profit	**16.9**	**7.0%**	**13.9**	**6.3%**	**2.9**	**+20.9%**
Financing costs	(2.1)	0.9%	(1.6)	0.8%	0.5	+30.6%
Income before income tax	14.7	6.0%	12.2	5.5%	2.4	+20.0%
Tax expenses	(4.5)	1.8%	(4.3)	2.0%	0.1	+3.2%
Net income	**10.2**	**4.2%**	**7.9**	**3.6%**	**2.3**	**+29.2%**
Adjusted EBITDA	44.8	18.5%	40.6	18.4%	4.2	+10.4%

Sales Q2 FY2026 vs. Q2 FY2025 (6 months)

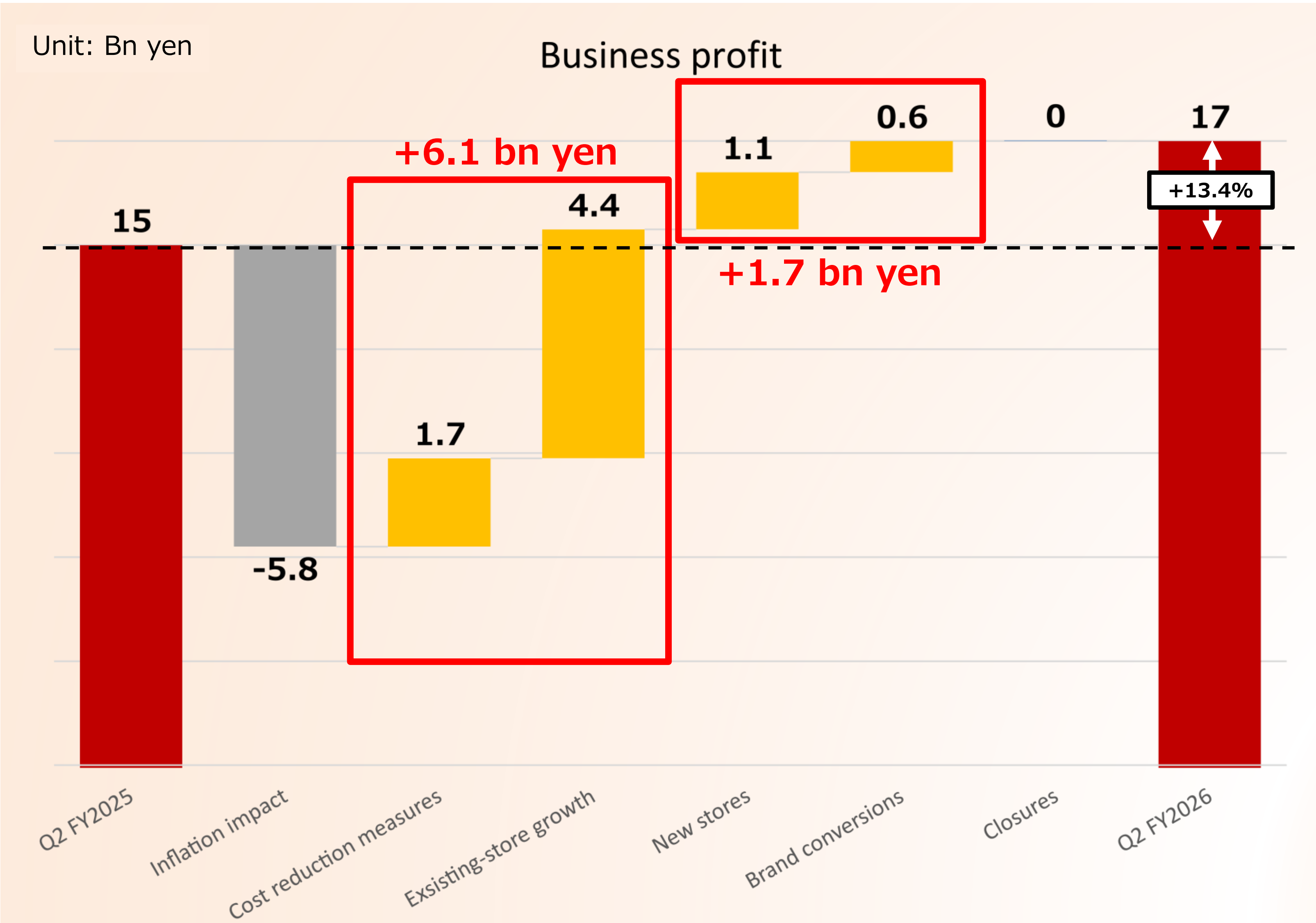
- Sales increased by 21.5 bn yen (+9.7% YoY), driven by continuous growth in domestic same-store sales and planned store development.

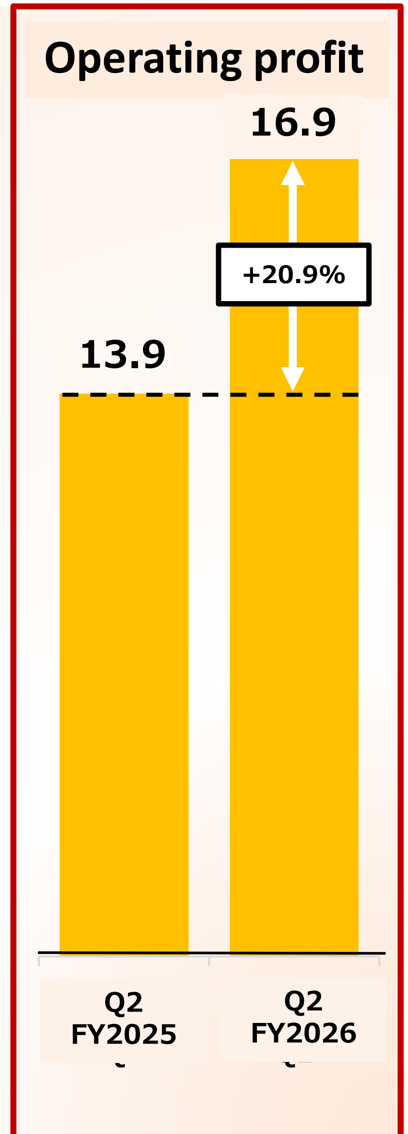


Business Profit Q2 FY2026 vs. Q2 FY2025 (6 months)

- **Business profit increased by 2.0 Bn yen (+13.4% YoY), Operating profit increased by 2.9 Bn yen (+20.9% YoY).**

⇒Despite a negative cost impact of 5.8 bn yen due to inflation, 6.1 bn yen was generated through existing-store growth and cost reduction measures, and 1.7 bn yen was generated through new stores and brand conversions.





Consolidated Balance Sheet and Statements of Cash Flows

- BS: Strengthening financial stability by shifting to longer-term interest-bearing debt financing.
- CF: Operating cash flow increased by 3.3 bn yen due to improved cash generation from core operations.
  Free cash flow of 8.4 bn yen was secured despite proactive investments.

Balance Sheet (BS)

Unit: Bn yen	Q2 FY2026	FY2025 Year-end	Increase/ decrease
Total Assets	**545.2**	**518.5**	**26.7**
Current assets	**64.4**	**67.6**	**(3.2)**
Non-current assets	**480.9**	**451.0**	**29.9**
of which, goodwill	171.4	162.7	8.7
Total equities	**350.5**	**331.0**	**19.5**
Current liabilities	**103.2**	**105.4**	**(2.1)**
Non-current liabilities	**247.2**	**225.6**	**21.6**
Interest-bearing liabilities	137.2	123.7	13.6
of which, long-term interest-bearing liabilities	122.3	109.3	12.9
Total equities	**194.8**	**187.6**	**7.2**
Equity attributable to owners of the company	**194.8**	**187.6**	**7.2**

Statements of Cash Flows (CF)

Unit: Bn yen	Q2 FY2026 (6-months)	Q2 FY2025 (6-months)	YoY
Operating cash flow	**34.5**	**31.2**	**3.3**
Investment cash flow	**(26.2)**	**(19.1)**	**(7.1)**
Free cash flow	**8.4**	**12.2**	**(3.8)**
Financial cash flow	**(11.4)**	**(15.5)**	**4.1**
Loan	**5.1**	**(2.7)**	**7.7**
Bonds	**5.9**	**9.2**	**(3.3)**
Lease debt repayment	**(18.7)**	**(18.4)**	**(0.4)**
Dividend	**(3.2)**	**(2.5)**	**(0.7)**
Others	**(0.5)**	**(1.2)**	**0.7**
Change in cash	**(3.0)**	**(3.2)**	**0.3**
Cash balance at beginning	**34.3**	**19.2**	**15.2**
Cash balance at closing	**31.4**	**15.9**	**15.4**

Key Financial Indicators

- **Earnings per share (EPS) increased to 83.75 yen.**
- **Equity ratio and net D/E ratio remained stable.**

	Q2 FY2026	【Reference】	
		Q2 2025	FY2025
Earnings per share (EPS)	83.75 yen	68.36 yen	73.62 yen
Book value per share (BPS)	856.5 yen	785.6 yen	824.5 yen
Equity ratio	35.7%	36.9%	36.2%
Net D/E ratio	0.55 times	0.55 times	0.48 times

*EPS = Net income (LTM: Last Twelve Months)/ equity attributable to owners of the parent (average of period)
*BPS = Equity attributable to owners of the parent (end of period) / total number of shares outstanding at end of period
*Equity ratio = Equity attributable to owners of the parent (end of period) / total assets (end of period)
*Net D/E ratio = (borrowings at end of period + other financial liabilities at end of period − cash and cash equivalents at end of period − lease obligations) / total equity (end of period)

Revision to Full-Year Guidance

・Given our strong interim results and current progress, we have made upward revisions to our full-year consolidated forecast for FY2026.

Unit: Bn yen

Unit: Bn yen	FY2026 Revised Guidance	FY2025 Full-Year Results	Variance	FY2026 Initial Guidance
Sales	500.0	457.8	+42.2	490.0
Business profit	37.0	33.0	+4.0	36.0
Operating profit	35.0	30.0	+5.0	33.5
Income before income tax	30.0	26.3	+3.7	29.7
Net income	20.5	16.7	+3.8	19.5
Earnings per share (EPS)	90.14 yen	73.62 yen	+16.52 yen	85.71 yen

【Supplementary Information】

Assumptions and KPIs for Revised FY2026 Full-Year Guidance			
Same-store sales YoY	106%	New stores	80 stores*
Same-store traffic YoY	102%	Brand conversion	50 stores
Same-store ATP YoY	104%	Remodeling	230~240 stores
CAPEX, including M&A	50 bn yen	Exchange rate	JPY160/USD
ROE	10%		

* Including new stores by Shinpachi Shokudo

Revision to Dividend Forecast

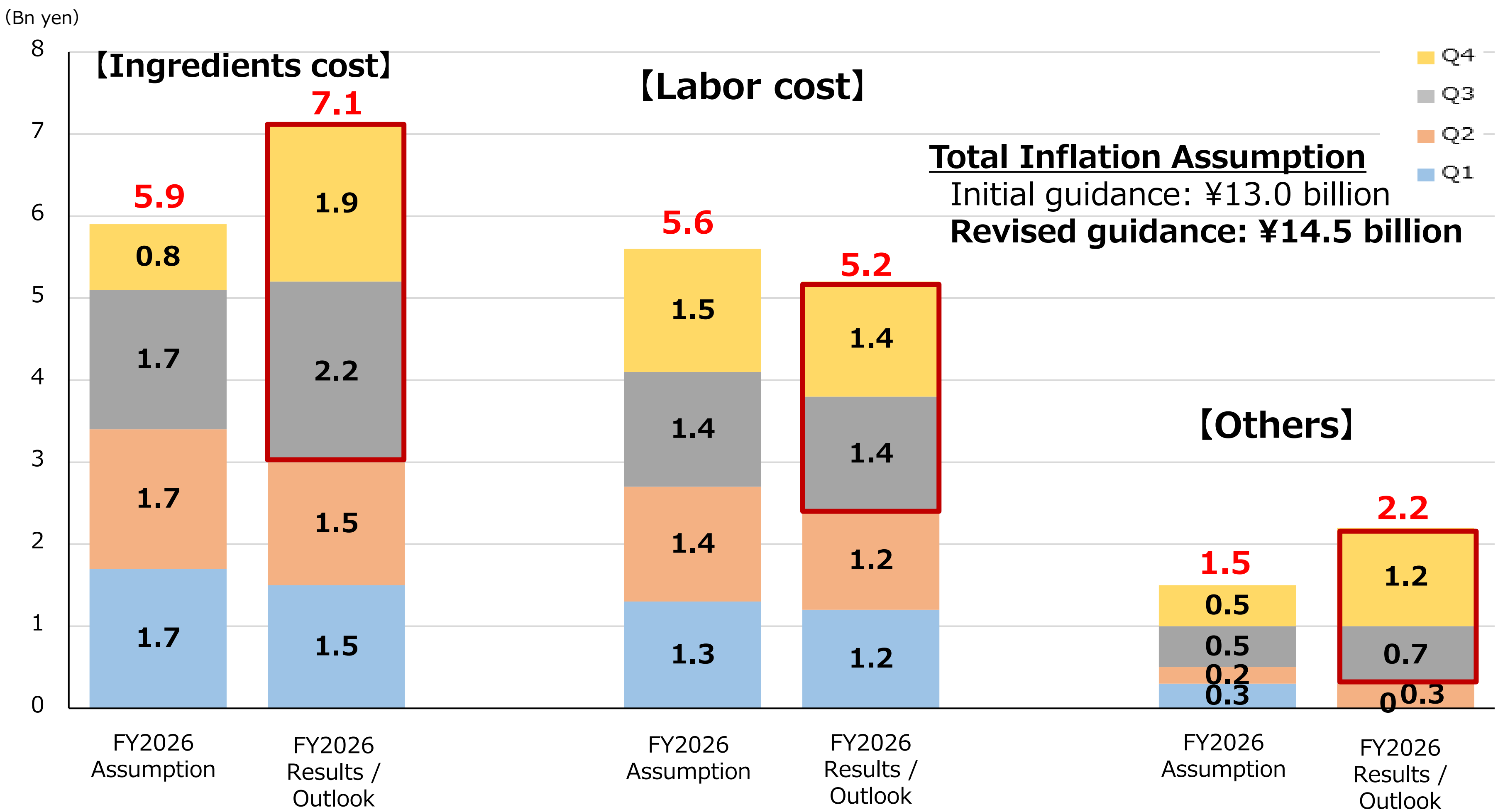
・**Revised the annual dividend forecast upward to 27 yen per share**

	Interim dividend	Year-end dividend	Annual dividend
FY2025 Results	8.00 yen	14.00 yen	22.00 yen
FY2026 Results	10.00 yen	-	-
FY2026 Revised Forecast	**-**	**17.00 yen**	**27.00 yen**
Initial Forecast (announced on February 13, 2026)	10.00 yen	16.00 yen	26.00 yen

FY2026 Inflation Assumptions

Inflation Assumptions

・The impact of inflation in the second quarter was **in line with expectations.**
・The estimated full-year cost-push **impact from inflation has been revised to ¥14.5 billion.**

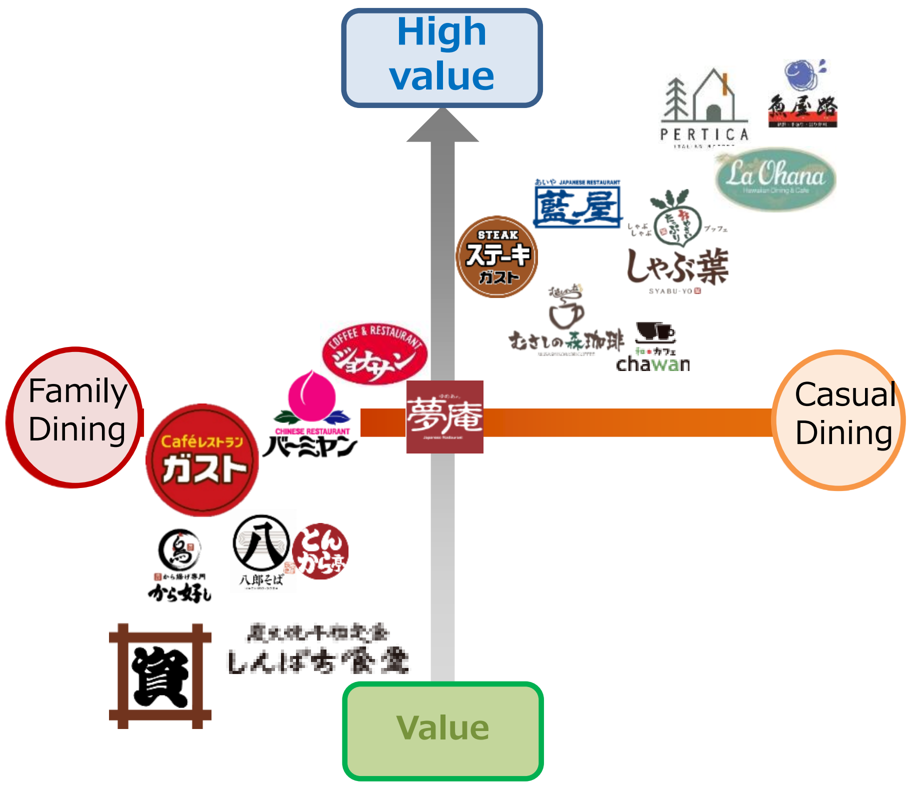


FY2026 Strategies

Response to Consumption Polarization

Polarization into Demand for "High Added Value / Experience Value" vs. Demand for "Value"

1. Leveraging the Brand Portfolio



Addressing polarization through optimal deployment of multiple brands
⇒ Unique strength of the Skylark Group

2. Example of Initiatives in Main Brands

Value (increasing guest count)

Addressing demand for hearty/filling meals

Seasonal Fair Menus

High Value & Experiential Dining (Higher ATP)

Summer-tailored experiential value

Experiential Value of Grilling Authentic Flavors Table-side

Business Expansion via App Utilization

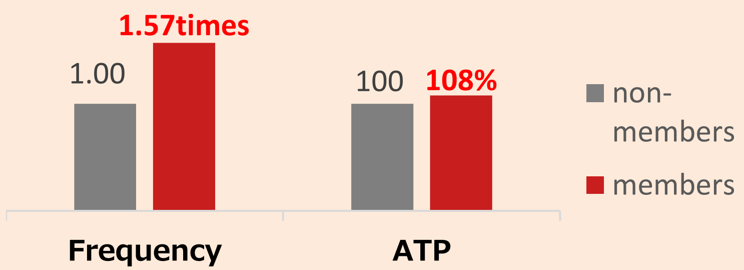
Leveraging the member base of approx. 16 million users to increase repeat visit frequency and ATP

Skylark App

Approximately 16 Million users

Increasing members

- **Integrated One-Stop Platform (Eat-in / Takeout / Delivery / E-commerce)**
- **App members show higher visit frequency and ATP**



AI-driven Initiatives

Coupons Tailored for Each Customer

Driving store visits by offering personalized coupons tailored to individual spending behavior

Menu Recommend

Increasing average spend per customer via additional upsell suggestions based on order content by tablet (Currently in trial)

Driving Continuous Membership Growth to Expand the Virtuous Cycle of Performance Contribution

Converting New Customers into Members

Driving New Visits & App Member Conversions via Diverse Promotions

Creating Incentives to Visit

- Ad Exposure Along Daily Commuting Routes (Train Channels, SNS, etc.)
- Acquiring New Customer Segments and Driving Visits Through IP Collaborations

New Member Registration Campaign

- Executing campaigns to acquire new customers as app members

Growth Through M&A

1. Sukesan Udon (Acquired in October 2024)

- Expanded to 110 stores by end of June 2026

  (from 74 at acquisition, mainly via store conversions)

- Strong performance of the 1st Taiwan store

  (Tianmu Dayeh Takashimaya, opened in June 2026)

1st Taiwan Store – Opened on June 18

- Taiwan Plan: total of 3 stores in FY2026, 100+ stores mid-to-long term

  → Also considering expansion into Southeast Asia

2. Shinpachi Shokudo (Acquired in April 2026)

- Leveraging Group resources following entry into the Skylark Group to advance selection of candidate store sites

  → Accelerating store openings through the second half of this year and into next fiscal year

Targets in 2030

Number of stores (including overseas) : More that 300 stores

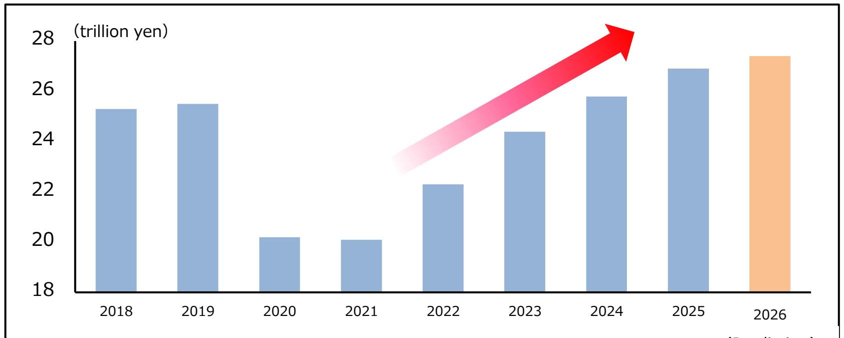
EBITDA : More that 6 billion yen

Appendix

Domestic foodservice market size and our growth potential

- The domestic foodservice market is growing due to the increase in dual-income households
- Decline in the number of non-chain restaurants, creating room for market share expansion

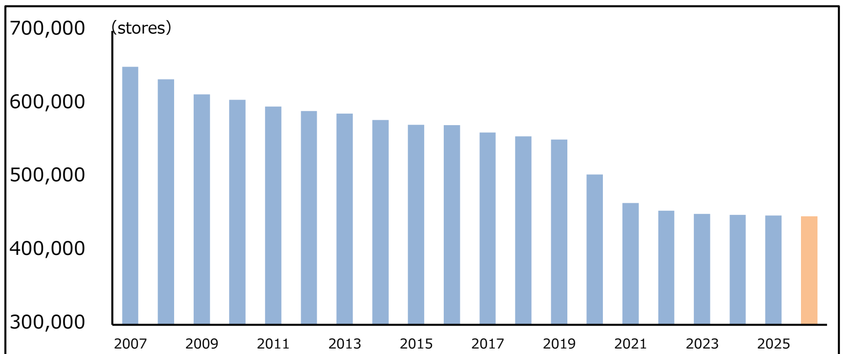
Trends in domestic foodservice market size



Source: Created by our company from the Fuji Keizai Food Service Industry Marketing Handbook

2026
The restaurant market size growing to 27 trillion yen

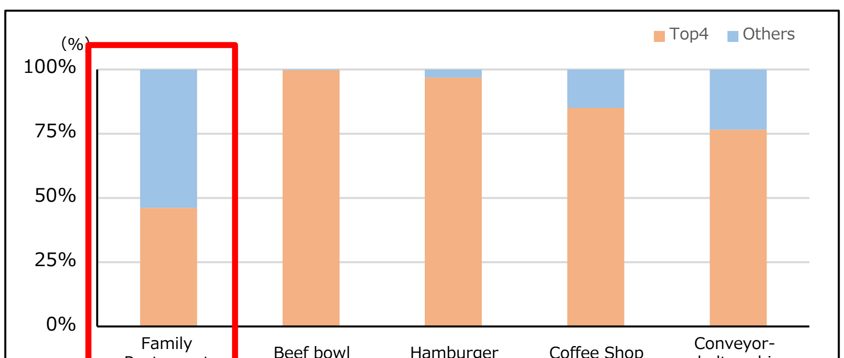
Trends in the number of non-chain restaurants



Source: Created by our company from Nomura Securities data

The number of non-chain restaurants is decreasing

Market share of top four companies by segment



Source: Created by our company from the Fuji Keizai Food Service Industry Marketing Handbook

The oligopoly of the family restaurant industry has not yet progressed

Significant growth potential

Progress of Medium-Term Business Plan

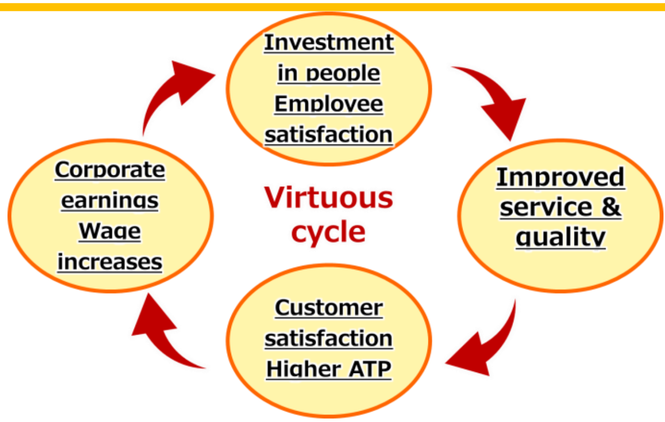
- **Progressing steadily toward the Medium-Term Business Plan.**

Item	Medium-Term Plan Targets (2025–2027)	January 2025–June 2026 Results (excluding same-store growth)
1. Same-store growth (Japan)	Sales growth: Annual average of 3–4%	**Q2 FY2026 (6-month) Results: 106.5%** Customer traffic : 101.6% ATP : 104.8%
2. New stores (Japan)	Approximately 300 store openings over three years	**256 stores** **Existing brands** Syabu-Yo : 25 stores Gusto :17 stores Sukesan Udon : 9 stores Others : 22 stores Total : 73 stores + **M&A** Sukesan Udon : 74 stores Shinpachi Shokudo :109 stores Total : 183 stores
3. Overseas expansion	Approximately 100 overseas store openings over three years	**38 stores** **Taiwan** : 16 stores Malaysia : 22 stores (including 13 stores added through M&A)
4. Promotion of M&A	Approximately 3–5 transactions over three years	**April 2026: Shinpachi Shokudo** 109 stores at the time of acquisition in 2026 **January 2025: SUKI-YA (Malaysia)** 13 stores at the time of acquisition in 2025 **October 2024: Sukesan Udon** 74 stores at the time of acquisition in 2024

Store Centered Management

- Promoting a store-centered management to create a virtuous cycle of growth

Virtuous cycle in management



Concept of “Store Centered Management”

❌ **Cost reduction=Profit generation**
End of the deflation era where people are seen as costs

⭕ **People are the driving force of value creation**

Enhancing human capabilities
↓
Improving productivity
↓
Creating added value

Concrete efforts for “Store Centered Management”

Strengthening management capabilities

1. Revised manager evaluation system
2. Updated manager grading framework
3. Introduction of performance-based incentives
4. Expanded authority for managers regarding crew member evaluations

Recruitment, training, and retention initiatives

1. Enhanced OJT training
2. Review of crew evaluation system
3. Introduction of a crew point system
4. Monthly online training sessions for crew members

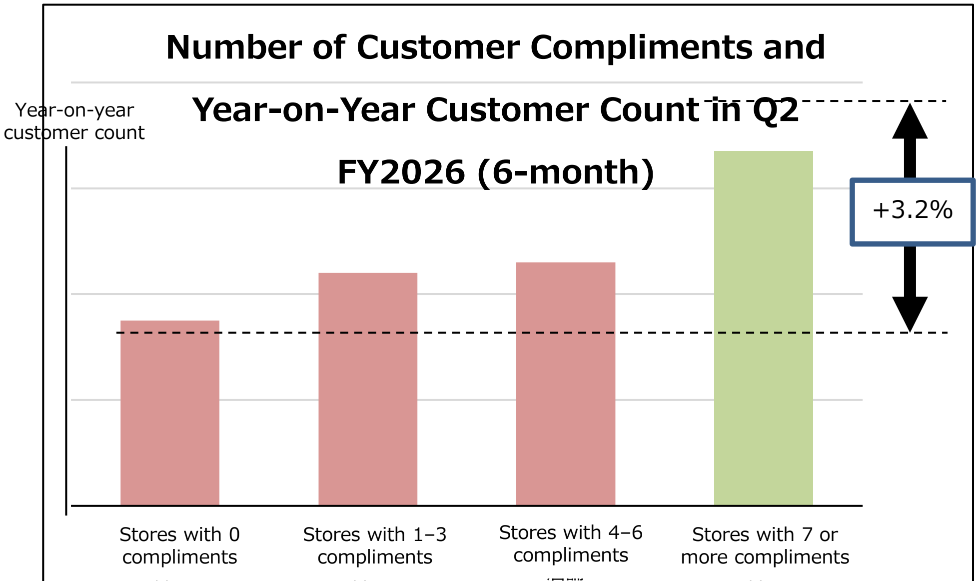
DX Initiatives ⇒ Productivity improvement

1. Introduction of CU time※1
2. Implementation of a schedule management app
3. Introduction of spot crew system※2
4. Implementation of product management system
5. Installation of self-checkout counters
6. Automation of store PC closing process
7. Installation of table clearing display boards

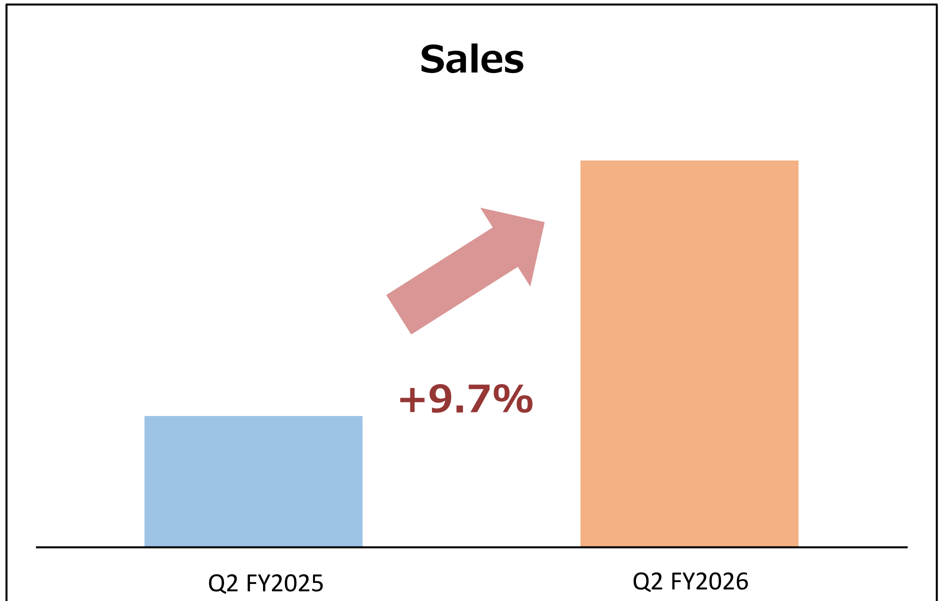
*1 Clean-up time: time from last customer leaving to next customer seating
*2 Spot crew system: Company’s on-demand staffing feature

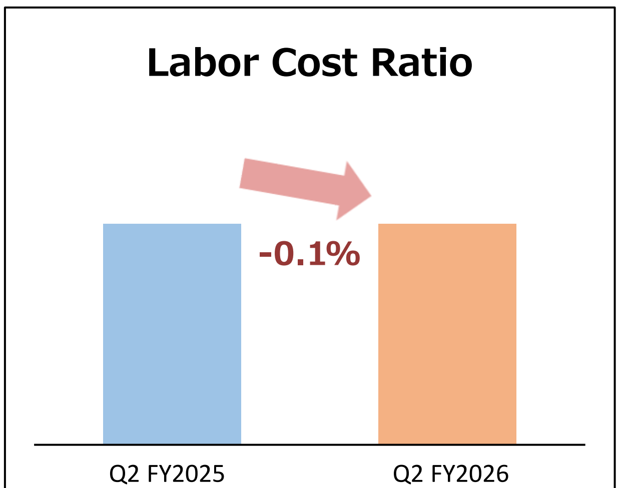
Store-centered Management Effect

・**Stores receiving more customer compliments tend to record stronger year-on-year customer growth.**
⇒ This leads to significant sales growth and improvements in both the business profit margin and operating profit margin.

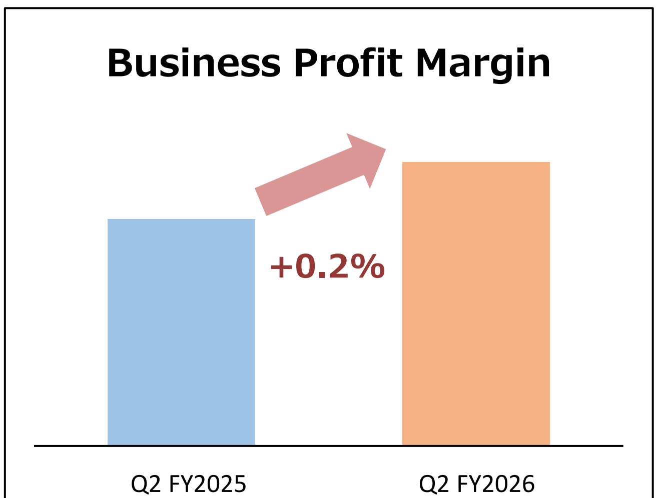


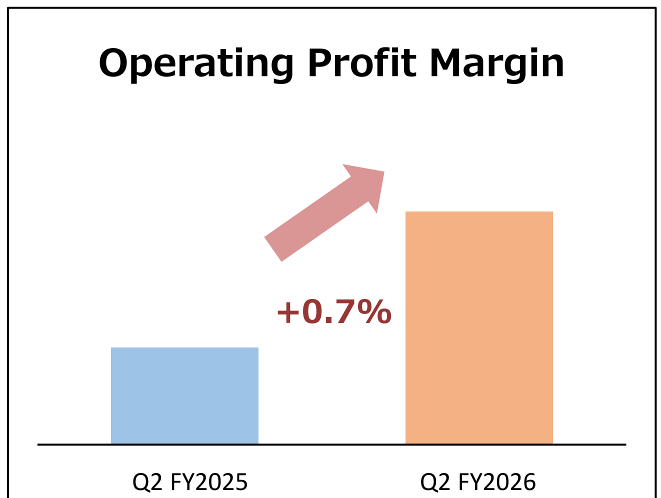
*Includes all brands operated by Skylark Restaurants Co., Ltd.





*Adjusted the one time cost



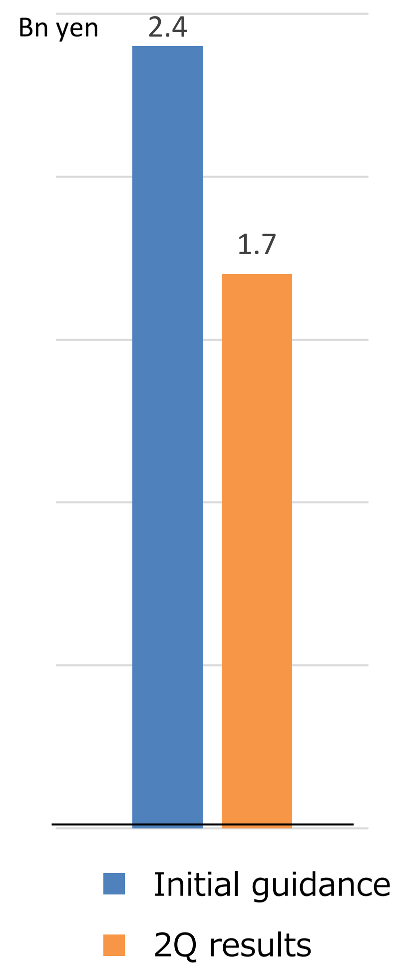


Cost Reduction Project

・**Achieved a ¥1.7 billion cost reduction in the 2Q (6 mo.).**

Cost Reduction Project	**Procurement Reform**	• Price negotiations involving the relaxation of procurement specifications and revisions to transaction terms • Supplier selection through competitive bidding • Bulk purchasing and long-term contracts
	Production and Logistics Reform	• Improvements in manufacturing operations • Expansion of in-house production and automation • Improvements in logistics efficiency • Promotion of ingredient modularization
	Cost Optimization	• Review of recipes and ingredients • Reduction of food waste at stores

Progress of cost reduction

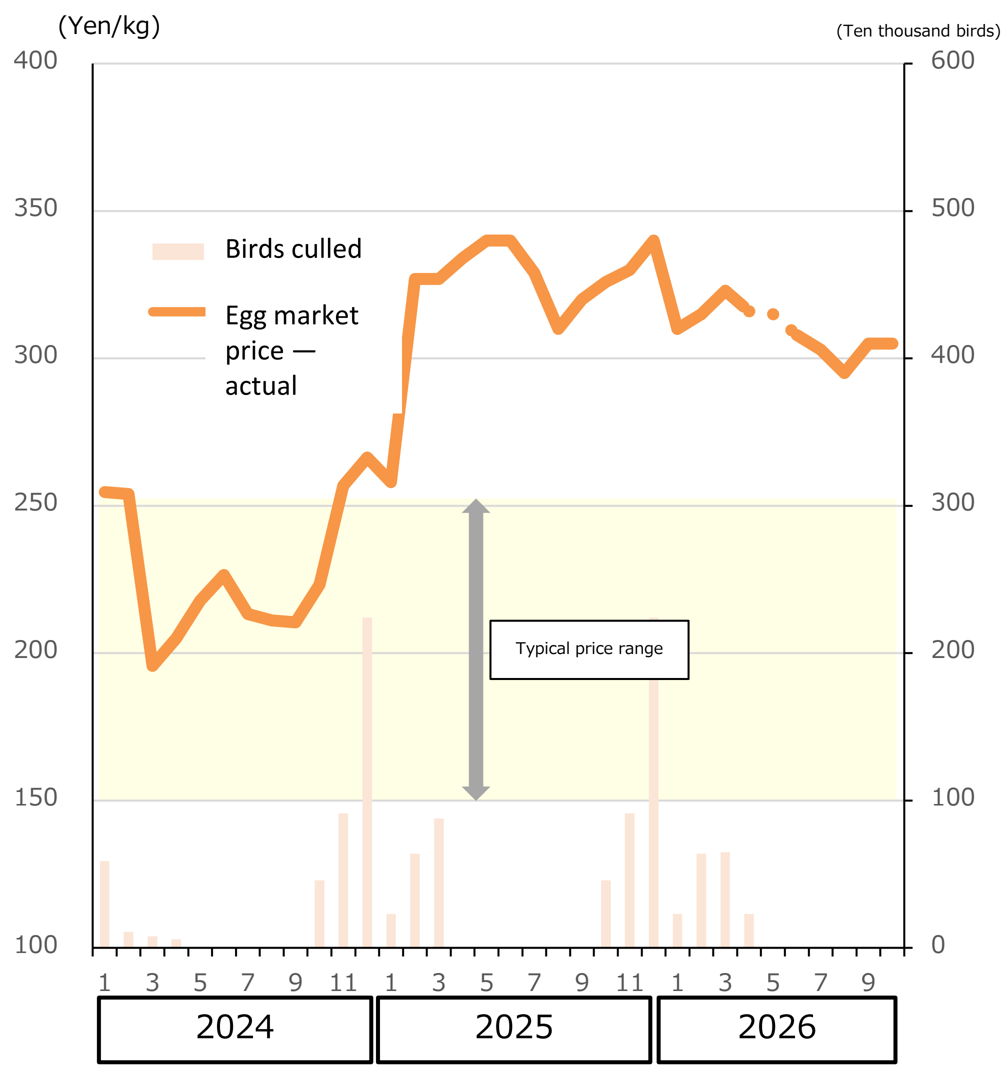


Approximately 2x the end-2024 level

Inflation Trends (Eggs & Chicken)

【Egg Prices】

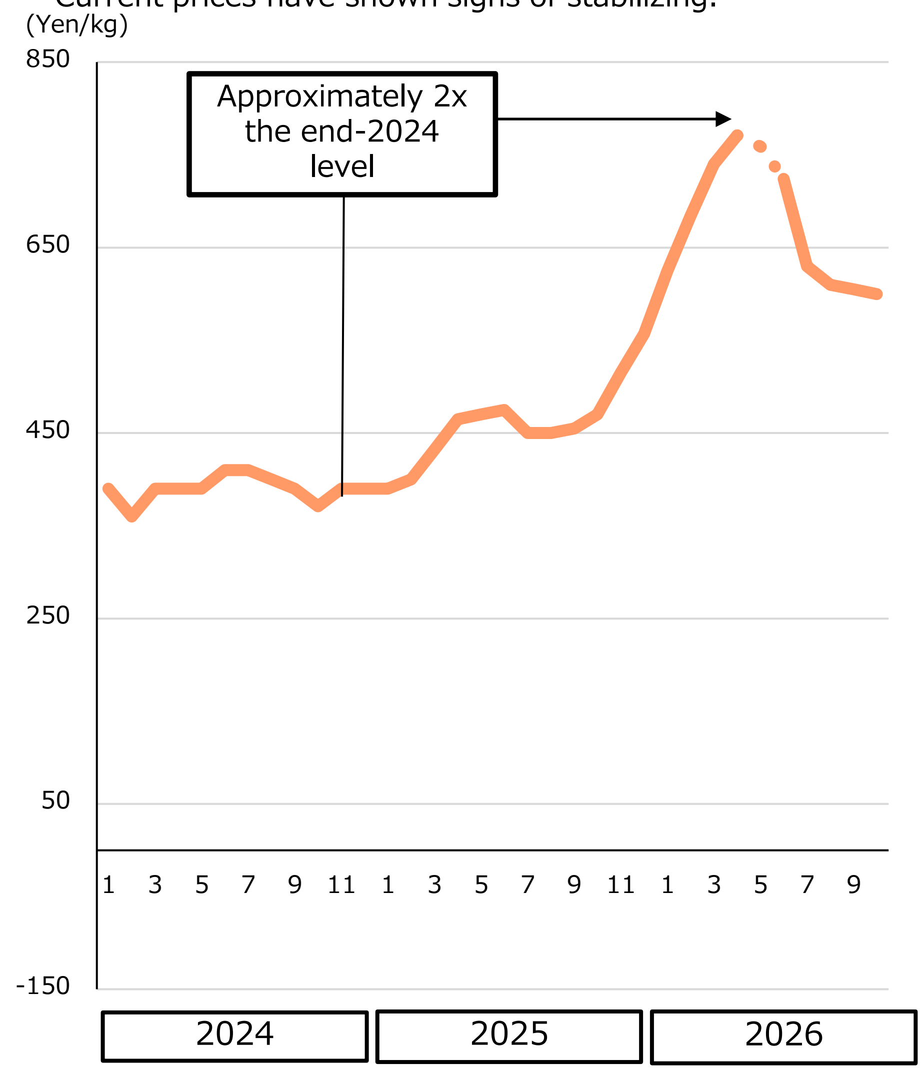
Prices remain near record highs due to supply shortages caused by avian influenza and higher feed costs.



*Source: JA Z-Tamago Co., Ltd.

Chicken Prices

・Higher feed and logistics costs have been passed on to prices.
・Demand for chicken increased following the suspension of Spanish pork imports.
・Current prices have shown signs of stabilizing.



*Source: Agriculture & Livestock Industries Corporation (ALIC)

FY2026 Store Development Summary (by Brand)

- With the addition of 111 Shinpachi Shokudo stores, the Group's total number of stores increased to 3,214.
- Completed 21 new store openings, 26 brand conversions and 113 remodelings, with the first-half plan progressing as scheduled.

Bran	New stores	Brand conversions		Closure	Stores as of June 30, 2026	Remodelings
		(+)	(-)			
Gusto	3	-	(15)	(13)	1,217	61
Bamiyan	2	-	(1)	-	371	17
Syabu-Yo	6	2	-	(1)	331	1
Yumean	-	-	(2)	(1)	171	9
Jonathan's	-	-	-	(1)	156	13
Musashinomori Coffee	-	-	-	-	83	-
Steak Gusto	-	-	(4)	-	67	-
Chawan	-	-	-	-	30	-
Tonkaratei	-	-	(1)	(4)	23	-
FLO Prestige	1	-	-	(6)	117	2
Shinpachi Shokudo	2	-	-	-	111	-
Sukesan Udon	-	16	-	-	110	-
Taiwan Skylark	4	-	-	-	93	2
SUKI-YA	2	-	-	-	19	1
Others	1	8	(9)	(1)	315	7
Group total	21	26	(32)	(27)	3,214 Increase from the end of FY2025: 103 stores	113

* Conversions do not include 10 stores prior to opening due to conversion preparations.
* End-of-month store count includes temporarily closed stores.

Active store development

- With the addition of Shinpachi Shokudo to the group, new store development has accelerated

[Store distribution]	High-density commercial areas	Major metropolitan private railway lines	Regional city station fronts	Shopping centers	Roadside locations	Total
2019	3.1%	12.5%	-	6.3%	78.1%	100.0%
2026 plan	8.0%	34.0%	12.0%	34.0%	12.0%	100.0%
Potential store locations	857 stores			126 stores	521 stores	1,504 stores

*Existing brands only

	High-density commercial areas	Major metropolitan private railway lines	Regional city station fronts	Shopping centers	Roadside locations
Key brands considered for new store openings	ガスト, バーミヤン, しゃぶ葉, ジョナサン, chawan, 魚屋路, 資, TOMATO & ONION, じゅうじゅうカルビ, PERTICA, 八郎そば, しんぱち食堂	ガスト, バーミヤン, 夢庵, とんから亭, から好し, 八郎そば, じゅうじゅうカルビ, しんぱち食堂	ガスト, バーミヤン, しゃぶ葉, chawan, むさしの森珈琲, しんぱち食堂	ガスト, バーミヤン, しゃぶ葉, ジョナサン, 夢庵, chawan, くし葉, Festa Garden, 包包點心, しんぱち食堂	資, しゃぶ葉, TOMATO & ONION, PERTICA, とんから亭, じゅうじゅうカルビ, から好し, 八郎そば, しんぱち食堂

ESG Initiatives

Categories	Progress in Q2 FY2026
Decarbon-ization	・Through the introduction of a virtual PPA utilizing biomass-generated power, the number of stores achieving virtually zero CO_2 emissions was expanded to 13. ・Obtained third-party assurance from an independent verification body for 2025 environmental data, including greenhouse gas emissions and water-related data, as well as human capital data. ・Joined the GX Future League, a public-private initiative that develops decarbonization rules and shares know-how to advance effective CO_2 reduction measures.  GX FUTURE CONSORTIUM
ESG Recognition	・Achieved the highest rating of 5.0 in the FTSE Russell ESG Ratings and continued to be included in two indices adopted by GPIF: the FTSE JPX Blossom Japan Index and FTSE JPX Blossom Japan Sector Relative Index. ・Selected as a CDP Supplier Engagement Leader, the highest rating in CDP's Supplier Engagement Rating, for the second consecutive year. ・Selected as a constituent of the SOMPO Sustainability Index established by SOMPO Asset Management Co., Ltd. for the fourth consecutive year. FTSE JPX Blossom Japan Index FTSE JPX Blossom Japan Sector Relative Index Supplier Engagement Leader CDP 2025 2026 Sompo Sustainability Index

Disclaimer

This document is prepared for general publication of information concerning Skylark Holdings Co., Ltd. ("Skylark") and will not constitute an offer to sell or a solicitation of an offer to buy shares of Skylark's common stock or any other securities issued by it.

Any information related to market trends or industries mentioned in this document is based on information available at present, and Skylark does not guarantee the feasibility, accuracy, or reasonableness and completeness of this information. Skylark disclaims any obligation to update any information contained herein.

Any plan, estimation, calculation, quotation, evaluation, prediction, expectation or other forward-looking information in this document is based on the current assumptions and beliefs of Skylark in light of the information currently available to it, and involves known and unknown risks, uncertainties, and other factors. Such risks, uncertainties and other factors include, without limitation: economic conditions, trends in the market for food industry, shifts in customer preferences and fluctuations in the price of raw materials.

This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.