



March 21st, 2024

Company Name	Integral Corporation
Name of Representative	Reijiro Yamamoto, Representative Director and Partner (Securities code : 5842 Growth Market of the Tokyo Stock Exchange)
Inquiries	Yasuaki Sumikawa, CFO & Controller (TEL. 03-6212-6100)

Notice of Agreement to Share Transfer of Skymark Airlines Inc.

Integral Corporation is pleased to announce that Integral Corporation, its affiliated companies and its affiliated funds, Integral 2 Limited Partnership and Integral Fund II (A) L.P. (collectively “Fund II Series”, and collectively with Integral Corporation and its affiliated companies “Integral”), have signed a share transfer agreement (“Agreement”) to sell all the shares (equivalent to 5.9% of total number of shares issued and outstanding) of Skymark Airlines Inc. (“Skymark” or “the Company”) to SUZUYO HOLDINGS Co.,Ltd (“Suzuyo Holdings”).

1. Background of the Transfer

Skymark, founded in 1996, entered the domestic airline market as a new independent player with the deregulation and has continued to provide air transportation services based on the concepts of "reasonable prices" and "simple and easy-to-understand services."

Integral has been one of the shareholders of the company since its civil rehabilitation proceedings in 2015, and together we overcame difficulties such as civil rehabilitation and the Covid-19 pandemic, leading to the company's listing on the Growth Market of the Tokyo Stock Exchange in 2022. Skymark is currently the third largest airline in Japan with the 23 domestic routes and 12 cities, operating approximately 150 flights per day, and boasts the highest on-time performance and customer satisfaction.

Integral has transferred a part of its Skymark shares (13.0% of the total number of shares issued and outstanding) to Suzuyo Holdings in November 2023, as described in the "Notice of Partial Transfer of Shares of Skymark Airlines Inc." dated November 7, 2023. Subsequently, Integral has held discussions with Suzuyo Holdings, who truly respects Skymark's philosophy, and has now reached an agreement to transfer all of its shares (5.9% of the total number of shares issued and outstanding) to Suzuyo Holdings.

Integral sincerely wishes Skymark's further success going forward.

2. Overview of Investee Company (Skymark)

(1) Name	Skymark Airlines Inc.	
(2) Address	3-5-10 Haneda Airport, Ota-ku, Tokyo 144-0041 Japan	
(3) Title and name of representative	Representative Director, President and Executive Officer Hayao Hora	
(4) Description of business	Regular air transportation service, etc	
(5) Share capital	JPY 100 million	
(6) Date of establishment	November 12th, 1996	
(7) Major shareholders and ownership ratio (As of March 2023)	Integral 2 Limited Partnership	19.51%
	ANA HOLDINGS INC.	12.93%
	UDS Airlines Investment Limited Partnership	10.53%
	GOLDMAN SACHS INTERNATIONAL (Standing Proxy: Goldman Sachs Japan Co., Ltd.)	3.23%
	MSIP CLIENT SECURITIES(Standing Proxy: Morgan Stanley MUFG Securities Co., Ltd.)	3.13%

	CEPLUX- THE INDEPENDENT UCITS PLATFORM 2 (Standing proxy: Citibank, N.A., Tokyo. Branch) 2.82% STATE STREET LONDON CARE OF STATE STREET BANK AND TRUST, BOSTON SSBTC A/C UK LONDON BRANCH CLIENTS- UNITED KINGDOM (Standing Proxy: Securities Services Department, The Hongkong and Shanghai Banking Corporation Limited, Tokyo Branch) 2.20% INTEGRAL FUND II(A)L.P. (Standing Proxy: Daiwa Securities Co. Ltd.) 2.16% Integral II SS Investment Limited Partnership 1.90% BNYM AS AGT/CLTS 10 PERCENT(Standing Proxy: MUFG Bank, Ltd.) 1.56%		
(8) Relationship between the Company and Integral Corporation and its group companies	Capital relationship	Integral owns 5.9% of shares of Skymark	
	Personnel relationship	One director and one corporate auditor of Integral Corporation serve as directors of Skymark	
	Business relationship	Not applicable.	
(9) Operating results and financial portions of the Company for the latest year			
Fiscal year ended	March, 2021	March, 2022	March, 2023
Net assets	JPY 10,424 MM	JPY 9,299 MM	JPY 23,917 MM
Total assets	JPY 85,452 MM	JPY 93,559 MM	JPY 107,837 MM
Shareholder's Equity per Share	JPY 231.65	JPY 196.67	JPY 396.46
Revenue	JPY 34,064 MM	JPY 47,147 MM	JPY 84,661 MM
Operating profit	JPY △31,675 MM	JPY △16,694 MM	JPY 3,453 MM
Ordinary profit	JPY △29,602 MM	JPY △15,079 MM	JPY 3,713 MM
Profit	JPY △16,342 MM	JPY △6,729 MM	JPY 5,726 MM
Profit per share	JPY△363.16	JPY △145.78	JPY 111.8
Dividend per share	JPY 0	JPY 0	JPY 5

3. Overview of the counterparty (Suzuyo Holdings)

(1) Name	SUZUYO HOLDINGS Co.,Ltd		
(2) Address	11-1, Irifune-cho, Shimizu-ku, Shizuoka-shi, Shizuoka		
(3) Title and name of representative	Representative Director Yohei Suzuki		
(4) Description of business	Financial and consulting services		
(5) Share capital	JPY 10 million		
(6) Date of establishment	December 27th, 2000		
(7) Major shareholders and ownership ratio (As of March 2023)	Kenichiro Suzuki		100%
(8) Relationship between the Company and Integral Corporation and its group companies	Capital relationship	Not applicable.	
	Personnel relationship	Not applicable.	
	Business relationship	Not applicable.	

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4. Timeline

The transfer of shares under the agreement (“Transaction”) is expected to be executed during March 2024.

5. Future Outlook

The impact of the Transaction on the consolidated financial results of Integral Corporation for the fiscal year ending December 2024 is expected to be insignificant.

Under the Agreement, Integral may acquire all or part of the shares involved in the Transaction upon the occurrence of certain events.