For Immediate Release

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SPARX Group Co., Ltd.
President and Group CEO
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SPARX Group Signs an MOU with PKSHA Technology to Establish a New Fund that Invests in Machine Intelligence/ AI related Technology

SPARX Group Co., Ltd. (“SPARX”) and PKSHA Technology Inc. (“PKSHA”) today announced that they have signed an MOU regarding the joint establishment and management of a new fund, tentatively named, “PKSHA SPARX Asia Algorithm Fund I (one), hereafter “New Fund”, that will invest in Japanese and foreign start-ups and projects that have cutting-edge machine intelligence/AI related technology and robotics technology as the core technology.

This jointly managed New Fund defines machine intelligence and robotics technology as the core technology to lead the evolution of various industries over the medium to long term and invests in companies or projects that develop those related fields. The New Fund plans to invest in Japanese start-ups and projects as well as foreign companies and projects, including China and India, that are highly influential in the AI sector. Investment decisions will fuse PKSHA’s expert opinion on the global cutting edge of algorithm/machine intelligence and SPARX’s experience as an investment and venture capitalist firm to provide careful evaluations of companies from the perspectives of technical capability, feasibility, and growth potential.

Through “Mirai Creation Fund”, SPARX has been investing in unlisted venture companies. Mirai Creation Fund I (one) began its operations in November 2015 with SPARX as an operator, with investment of 13.5 billion yen by Toyota Motor Corporation, Sumitomo Mitsui Banking Corporation and SPARX. At the end of October 2018, 20 companies have invested in Mirai Creation Fund I. It has been investing in about 50 companies, in US, UK, Israel, Singapore and Japan. Mirai Creation Fund I targets investment in enterprises and projects that possess innovative technologies in the core fields of AI, robotics, technologies to enable a hydrogen-based society, as well as other related projects, and PKSHA is one of the investee companies. On July 31, 2018, SPARX has established Mirai Creation Fund II (two) to accelerate investments in unlisted venture companies. In addition to current three categories, Mirai Creation Fund II mandate also includes electrification and new materials. Combining Mirai Creation Fund I and Fund II, AUM reaches 53 billion yen, at the end of October, 2018.

SPARX and PKSHA will establish New Fund in December 2018, and accept capital contributions from investors who support the concept and the passion of New Fund, aiming to grow to ¥10 billion.

■ For more information, please contact:
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