The following is an English version of the official Japanese announcement, which has been given to the Tokyo Stock Exchange and the media in Tokyo, Japan.

March 18, 2020

For Immediate Release

SPARX Group Co., Ltd.
President and Group CEO Shuhei Abe
(TSE1: 8739)

Mirai Creation Fund II (two) Invests in Altaeros' SuperTower Technology

—Bringing Affordable Broadband to Rural Communities—

TOKYO—March 18, 2020—SPARX Group Co., Ltd. (SPARX; TSE1: 8739) today announced that its Mirai Creation Fund II (two) —established in July 2018—has executed an investment (the amount is not disclosed) in Altaeros Energies, Inc. ("Altaeros"), a Boston-based startup that has developed an autonomous aerostat platform called the SuperTower. The capital will speed up the deployment of the SuperTower, a project that uses Altaeros' proprietary autonomous aerostat (tethered balloon) technology to bring mobile broadband and IoT to rural communities and industries.

Portfolio Company Outline

Altaeros (HQ: Somerville, MA, U.S.A., CEO/CTO & Co-Founder: Ben Glass, Chairman & Co-Founder: Adam Rein) was founded at MIT in 2010, based on the belief that everyone should have access to the same basic building blocks for a prosperous life, whether they live in a megacity or a rural village. Altaeros is focused on developing and deploying innovative real-world infrastructure solutions. Its initial product, the SuperTower, leverages the world's first fully autonomous aerostat platform to permanently deploy modern communication networks in rural markets and for emergency response, at a fraction of the cost of alternatives. The SuperTower floats 800 feet above ground and can lift a wide range of equipment. Applications include rural broadband, cellular, agricultural and industrial IoT, emergency response and many more, in both developed and emerging markets around the world.

For more information, high-resolution photos, and a demonstration video of the SuperTower, please visit http://www.altaeros.com/

.

Mirai Creation Fund I and Mirai Creation Fund II Summaries

The Mirai Creation Fund I began operations in November 2015 with financing of JPY 13.5 billion from three companies: Toyota Motor Corporation, Sumitomo Mitsui Banking Corporation, and SPARX, the Fund's general partner. Ultimately, the Fund received contributions from 20 companies, including the above three. Casting intelligent technologies, robotics, and hydrogen-economy technologies as core technologies of the future, Fund I has invested in approximately 50 companies and projects—from the US, the UK, Israel, Singapore, and Japan—that possess innovative technologies in these fields. In H2 2018, SPARX began managing the Mirai Creation Fund II, which targets the three existing Mirai Creation fields along with the two additional areas of electrification and new materials. As of February 28, 2020, the combined AUM for Fund I and Fund II were JPY 109.3 billion.

Mirai Creation Fund investment track record: https://mirai.sparx.co.jp/en/investment/

■ For inquiries related to this release, contact:
Public Relations, SPARX Group Co., Ltd.
Tel: +81-3-6711-9100 / Fax: +81-3-6711-9101
pr_media@sparxgroup.com