May 7, 2020

For Immediate Release

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

Notification Regarding the Institution of an Audit and Supervisory Committee and Changes to Executive Personnel

TOKYO— May 7, 2020—SPARX Group Co., Ltd. (SPARX; TSE1:8739) would like to inform you that the Board of Directors, at its meeting held on May 7, 2020, resolved a proposal for abolishing its audit & supervisory board and institute an audit and supervisory committee, under the condition of its approval at our 31st Ordinary General Shareholders' Meeting, scheduled for June 9, 2020. We made this decision in an effort to further enhance its corporate governance. We believes that auditing the directors' execution of the duties by the audit and supervisory committee, which is composed of the board of directors, will clarify the segregation between supervision and execution, and enhance the supervision function of the board of the directors, while also accelerating execution of duty by largely transferring authority from the board of directors to the directors themselves.

On the same day today, we also decided on the candidates for the Board of Directors to be submitted to the Ordinary General Meeting of Shareholders as follow.

The changes to the Articles of Incorporation are informed separately in the "Notice Concerning Partial Amendments to the Articles of Incorporation" dated May 7, 2020.

■ Candidate of Directors to be appointed excluding Audit and Supervisory Committee Directors
(Subject to the 31st Ordinary General Shareholders' Meeting scheduled for June 9, 2020)

Name	New Post	Present post
Shuhei Abe	Representative Director, President	same as left
Masatoshi Fukami	Representative Director, Executive Deputy President	same as left
Tadahiro Fujimura	Director	same as left

■ Candidate of Audit and Supervisory Committee Directors
(Subject to the 31st Ordinary General Shareholders' Meeting scheduled for June 9, 2020)

Name	New Post	Present post
Kazuyoshi Kimura	Outside Director Audit and Supervisory Committee Director	Outside Director
Kimikazu Noumi	Outside Director Audit and Supervisory Committee Director	Outside Director
Toshihiko Nakagawa	Outside Director Audit and Supervisory Committee Director	Outside Director

■ Auditors planning to resign

(At the conclusion of the Ordinary General Meeting of Shareholders schedule for June 9, 2020, they plan to resign from their posts)

Name	Present post
Jitsuo Tatsuno	Corporate Auditor
Seiichiro Umeno	Outside Corporate Auditor

（Note）Mr. Tatusno will be become the head of internal audit after resigning.

■ For inquiries related to this release, contract:

SPARX Group Co., Ltd., Finance & Management Control Dept.
TEL : 03-6711-9100 / FAX : 03-6711-9101

No further entry