December 7, 2020
SPARX Group Co., Ltd.
Toyota Motor Corporation
Sumitomo Mitsui Banking Corporation
MUFG Bank, Ltd.
Mizuho Bank, Ltd.

# SPARX Group Establishes the Japan Monozukuri Mirai Fund

—Investing in Japanese *monozukuri* (manufacturing)—

TOKYO—December 7, 2020—SPARX Group Co., Ltd. (SPARX; TSE1: 8739) announced today the establishment of the Japan Monozukuri Mirai Fund, based on the memorandum of understanding (MOU) with Toyota Motor Corporation, Sumitomo Mitsui Banking Corporation (SMBC), MUFG Bank, Ltd., and Mizuho Bank, Ltd., which was signed in November 2020.

The Fund will invest in Japanese *monozukuri* (manufacturing) companies with superior technology, human resources, and services to maintain Japan's advanced technology and skills and develop its future *monozukuri* capabilities. The Fund will also support these firms in implementing the Toyota Production System (TPS) and formulating management strategies. The Fund aims to contribute to society by developing Japanese *monozukuri* through its portfolio companies' sustainable growth.

Managed by general partner (GP) SPARX, the Japan Monozukuri Mirai Fund began operations in December with its initial total capital of JPY 12.3 billion financed through contributions from its limited partners (LPs). By October 31, 2021, the goal is to have gathered a total of JPY 20 billion in capital through additional contributions from investors that endorse the new Fund's objectives.

Japan Monozukuri Mirai Fund Overview

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| Fund name | Japan Monozukuri Mirai Investment Limited Partnership<br>(Nickname: Japan Monozukuri Mirai Fund) |
| Founding principles | - Helping companies with superior technology, human resources, and services to increase their corporate value<br>- Contributing to the development of Japanese *monozukuri* and human resources |
| Investments | Japanese *monozukuri* companies with superior technology, human resources, and services<br>(Investments expected to target manufacturing companies including the automotive and related industries) |
| Support to portfolio companies | - Helping TPS-based workplaces and management improvement<br>- Leveraging the financial and investment knowledge and expertise cultivated by SMBC, MUFG Bank, and Mizuho Bank<br>- Helping to establish and implement management strategies and midterm business plans |
| Investors | General partner: SPARX<br>Limited partners: Toyota, SMBC, MUFG Bank, and Mizuho Bank |
| Fund size | JPY 12.3 billion (as of December 7, 2020) |
| Subscription target | Around JPY 20 billion |
| Additional subscription period | Through October 31, 2021 (scheduled) |

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