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.

May 14, 2021

For Immediate Release

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

SPARX's Space Frontier Fund Invests in Axelspace Holdings, the Builder of a Next-Gen Earth Observation Platform

—To observe with high accuracy everywhere on Earth once a day—

TOKYO—May 14, 2021—SPARX Innovation for the Future Co., Ltd. (SIF)—a subsidiary of SPARX Group Co., Ltd. (SPARX; TSE1: 8739)—today announced that its Space Frontier Fund, operating since June 2020, has invested in Axelspace Holdings (Axelspace), the builder of AxelGlobe, a next-gen Earth observation platform. Axelspace plans to use this raised capital to manufacture and launch five GRUS optical observation satellites by 2023 and transform AxelGlobe into an Earth observation platform with a total of 10 satellites, including the five that have been launched so far.

Portfolio Company Outline

As a start-up developing a space business that utilizes microsatellites, Axelspace has made its mission to be "pioneers of microsatellite technology advancing the frontiers of space business, reimagining traditional ways of using space, and creating a society where everyone on our planet can make space part of their life." Its goal with AxelGlobe is to place numerous 100-kg GRUS optical observation microsatellites and enable the observation of any place on the Earth as frequently as once a day.

For more details on Axelspace, visit their website at https://www.axelspace.com.

Space Frontier Fund Overview

The Space Frontier Fund primarily seeks to support human resources and technology development in space-related industries, to foster Japanese space companies that are competitive on the world stage, and to contribute to technological innovation throughout Japan. Under SIF as its manager, the Fund began operations in June 2020 with an initial investment of JPY 8.2 billion from Toyota Motor Corporation, Mitsubishi UFJ Bank, Sumitomo Mitsui Banking Corporation, Mizuho Bank, and others.

SIF's homepage: https://sparxsif.com/en/

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