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Securities Code: 8739
May 19, 2021

To our shareholders:

Shuhei Abe
Representative Director, President
SPARX Group Co., Ltd.
Shinagawa Season Terrace 6F
1-2-70 Konan, Minato-ku, Tokyo

Notice of the 32nd Annual General Meeting of Shareholders

I would like to express my heartfelt gratitude for continued support. We are pleased to announce the 32nd Annual General Meeting of Shareholders of SPARX Group Co., Ltd. (the "Company"), which will be held as indicated below. From a standpoint of preventing the spread of the novel coronavirus disease (COVID-19), the number of seats will be significantly less than usual at the venue. For this reason, we would appreciate it if our shareholders could consider refraining from attending the meeting on the day. Moreover, please be noted that we will restrict entry to the venue if the number of attendees exceeds the number of seats.
If you are unable to attend on the day, please exercise your voting rights no later than 5:30 p.m. on Monday, June 7, 2021 (JST) using one of the following methods. Moreover, to reduce the risk of infection through contact, we would like to ask that you avoid attending the meeting in person if possible, and strongly recommend you to exercise your voting rights in writing or via the internet.
[Exercise of voting rights in writing (by postal mail)]
Please indicate your approval or disapproval of each proposal on the enclosed voting form and return it by the above voting deadline.
[Exercise of voting rights via the internet, etc.]
Please access the voting website (https://www.web54.net) and enter the "voting rights exercise code" and "password" printed on the enclosed voting form. Following the instructions on the screen, indicate your approval or disapproval of each proposal no later than the above voting deadline.

1. Date and Time: Tuesday, June 8, 2021, at 10:00 a.m.
(Reception starts at 9:00 a.m.)

2. Venue **Ballroom North, the first basement level, Tokyo Marriott Hotel**
4-7-36 Kitashinagawa, Shinagawa-ku, Tokyo

3. Agenda of the Meeting:

Matters to be reported:

1. Business Report, Consolidated Financial Statements, and Audit Reports for Consolidated Financial Statements by the Independent Auditor and the Audit and Supervisory Committee, for FY2020 (from April 1, 2020 to March 31, 2021)
2. Non-consolidated Financial Statements for FY2020 (from April 1, 2020 to March 31, 2021)

Matters to be resolved:

Proposal No. 1 Appropriation of Surplus
Proposal No. 2 Election of 3 Directors (Excluding Directors who are Audit and Supervisory Committee Members)

- If you attend in person, you are kindly requested to exercise your voting rights by presenting the enclosed voting form at the reception desk on arrival at the meeting. In addition, please assist us in conserving resources by bringing this Notice with you.
- You may exercise your voting rights by proxy by having another shareholder who holds voting rights attend the General Meeting of Shareholders on your behalf. Please note that you will need to submit a document certifying him or her as your proxy.
- To protect the personal information of our shareholders, we have enclosed a "Personal information protection sticker." Please use this when returning the voting form.

- Among the documents to be provided with this Notice, the below documents are not presented in this Notice as they are made available on the Company's website in accordance with relevant laws and regulations and the provisions of Article 14 of the Company's Articles of Incorporation. Therefore, the Business Report, Consolidated Financial Statements, and Non-consolidated Financial Statements audited by the Audit and Supervisory Committee and the Consolidated Financial Statements and the Non-consolidated Financial Statements audited by the Independent Auditor include not only those enclosed in this Notice but also the below documents provided on the website..
  (1) "System to ensure the properness of operations and operational status of the system" in the Business Report
  (2) "Notes to Consolidated Financial Statements" in the Consolidated Financial Statements
  (3) "Notes to Non-consolidated Financial Statements" in the Non-consolidated Financial Statements
- Revisions to the Reference Documents for the General Meeting of Shareholders, Business Report, Consolidated Financial Statements and Non-consolidated Financial Statements will be posted on the Company's website.

The Company's website (https://www.sparx.jp)

Reference Documents for the Annual General Meeting of Shareholders

Proposal No. 1 **Appropriation of Surplus**

The Company has positioned returns of profits to shareholders to be one of the most important tasks of our business management, enhancing continued growth and mid- to long-term increase of corporate value. We decide shareholder returns by comprehensively examining the business performance, financial condition, and return ratio, as well as the timing and method, among others, while considering stability and continuity of our company from a mid- to long-term perspective.
Based on this policy, we have decided that a year-end expected ordinary dividend to be ¥11 per share for the year, which represents an increase of ¥2 from previous fiscal year's ordinary dividend of ¥9 yen per share, considering the financial condition remains stable, steadily increase in the Base Earnings (*), and so on.

(1) **Type of dividend property**
Cash

(2) **Allotment of dividend property and their aggregate amount**
¥11 per common stock of the Company (An increase of ¥2 from the ordinary dividend of the previous fiscal year)
Total dividends: ¥2,231,242,090

(3) **Effective date of dividends of surplus**
June 9, 2021

(*) The Company identifies "Base Earnings" as the most important financial indicator. The term "Base Earnings" indicates the sustained and stable fundamental profitability of the company. It is calculated as follows.

Base Earnings = Management Fee (after the deduction of commission paid) – Ordinary Expenses

The Ordinary Expenses is calculated by deducting the sum of i) Commissions paid, ii) Bonuses (including allowance for bonuses, mandatory welfare expenses related to bonuses, and ESOP expense) and iii) Severances package for key members, from the total operating and general administrative expenses.

The operating profit for financial accounting purposes include one-time or additional performance fees, which can be affected by trends of the equity market and progress of real asset investment business. For this reason, we regard the Base Earnings, which indicates the sustained and stable fundamental profitability, as one of the most important financial indicators.

Proposal No. 2 **Election of Three Directors (Excluding Directors who are Audit and Supervisory Committee Members)**

As the terms of office of all three currently serving Directors (excluding Directors who are Audit and Supervisory Committee Members) will expire at the conclusion of this Annual General Meeting of Shareholders, the election of three Directors is proposed

Regarding this proposal, our Audit and Supervisory Committee has judged that all candidates for the Directors are suitable.

The candidates for Director are as follows:

[Reference] List of candidates

Candidate no.	Name	Position and responsibility in the Company and significant concurrent positions outside the Company	
1	**Shuhei Abe**	Representative Director, President, Group CEO Representative Director, President, CEO of SPARX Asset Management Co., Ltd.	Reappointment
2	**Masatoshi Fukami**	Representative Director, Executive Deputy President, Group COO Representative Director, Executive Deputy President of SPARX Asset Management Co., Ltd. Director of SPARX Green Energy & Technology Co., Ltd. Chairman and Director of SPARX Asset Trust & Management Co., Ltd.	Reappointment
3	**Tadahiro Fujimura**	Representative Director, Senior Managing Director, Group CIO Representative Director, Senior Managing Director, CIO, Senior Fund Manager of SPARX Asset Management Co., Ltd. Director of SPARX Asia Investment Advisors Limited	Reappointment

Candidate no.	Name (Date of birth)	Biography, and position and responsibility in the Company, and significant concurrent positions outside the Company	Number of shares of the Company's common stock owned
1	**Shuhei Abe** (May 10, 1954) Reappointment Attendance at Board of Directors meetings: 17 of 17 Term of office: 32 years	Apr. 1981 Joined Nomura Research Institute, Ltd. Apr. 1982 Transferred to Nomura Securities Co., Ltd. Apr. 1985 Founded Abe Capital Research Inc. Representative Director Jun. 1989 Representative Director, President of SPARX Group Co., Ltd. (current position) Feb. 2005 Director of Cosmo Asset Management Co., Ltd. (currently SPARX Asset Management Korea Co., Ltd.) Oct. 2006 Representative Director, President of SPARX Asset Management Co., Ltd. Dec. 2008 Representative Director, Chairman of SPARX Asset Management Co., Ltd. Jun. 2009 Group CIO of SPARX Group Co., Ltd. Apr. 2010 CEO of SPARX Asset Management Co., Ltd. (current position) Apr. 2011 Representative Director, President of SPARX Asset Management Co., Ltd. (current position) Group CEO of SPARX Group Co., Ltd. (current position) Feb. 2013 Director of Cosmo Asset Management Co., Ltd. (currently SPARX Asset Management Korea Co., Ltd.)	82,638,600
	Reasons for nomination as candidate for inside Director Mr. Abe has guided the Group over the 32 years since its founding and established its strong position as an independent investment company, as well as growing the Group. The Company nominated him as a candidate for reappointment as Director for the further growth of the Group.		

Candidate no.	Name (Date of birth)	Biography, and position and responsibility in the Company, and significant concurrent positions outside the Company		Number of shares of the Company's common stock owned
2	**Masatoshi Fukami** (September 27, 1961) Reappointment Attendance at Board of Directors meetings: 17 of 17 Term of office: 7 years	Apr. 1984 Nov. 1997 May 1998 Jun. 2002 Oct. 2006 Jun. 2007 Apr. 2008 Oct. 2008 Feb. 2009 Jul. 2010 Aug. 2012 Feb. 2014 Apr. 2014 May 2014 Dec. 2015 Jan. 2016 May 2016 Apr. 2017 Jun. 2017 Apr. 2019 Apr. 2021	Joined Nomura Securities Co., Ltd. Joined SPARX Asset Management Co., Ltd. (currently SPARX Group Co., Ltd.) Transferred to SPARX Securities Co., Ltd. Representative Director of SPARX Securities Co., Ltd Director (non-executive) of SPARX Asset Management Co., Ltd. (currently SPARX Group Co., Ltd.) Executive Officer of SPARX Group Co., Ltd. Managing Director of SPARX Group Co., Ltd. Director of SPARX Asset Management Co., Ltd. Director of SPARX Group Co., Ltd. Representative Director, President of SPARX Securities Co., Ltd. Director of SPARX Asset Management Co., Ltd. Representative Director of SPARX Green Energy & Technology Co., Ltd. Representative Director of SPARX Asset Management Co., Ltd. Representative Director, President of SPARX Asset Trust & Management Co., Ltd. Director of SPARX Group Co., Ltd. Representative Director, Managing Executive Officer of SPARX Asset Management Co., Ltd. Group Executive Officer of SPARX Group Co., Ltd. Chairman and Director of SPARX Asset Trust & Management Co., Ltd. (current position) Director of SPARX Asset Management Korea Co., Ltd. Director and Chairman of SPARX Green Energy & Technology Co., Ltd. Representative Director of SPARX Group Co., Ltd. Representative Director, Executive Deputy President, Group Deputy CEO Representative Director, Executive Deputy President of SPARX Asset Management Co., Ltd. (current position) Director of SPARX Green Energy & Technology Co., Ltd. (current position) Representative Director, Executive Deputy President, Group COO of SPARX Group Co., Ltd. (current position)	1,431,700
	Reasons for nomination as candidate for inside Director Using his experience in the financial industry, Mr. Fukami has been involved, mainly with starting up new businesses since joining the Company, and has driven the growth of the Group. The Company nominated him as a candidate for reappointment as Director for the further growth of the Group.			

Candidate no.	Name (Date of birth)	Biography, and position and responsibility in the Company, and significant concurrent positions outside the Company		Number of shares of the Company's common stock owned
3	**Tadahiro Fujimura** (December 27, 1963) Reappointment Attendance at Board of Directors meetings: 17 of 17 Term of office: 4 years	Apr. 1986 Jul. 1999 Oct. 2006 Apr. 2007 Apr. 2010 Jun. 2010 Apr. 2013 Dec. 2015 Sept. 2016 Jun. 2017 Dec. 2018 Apr. 2019 Apr. 2021 Joined Nikko Securities Investment Trust and Management Co., Ltd. (currently Nikko Asset Management Co., Ltd.) Joined SPARX Asset Management Co., Ltd. (currently SPARX Group Co., Ltd.) Senior Fund Manager of Investment &Research Department of SPARX Asset Management Co., Ltd. (current position) Head of Investment & Research of SPARX Asset Management Co., Ltd. Head of Investment & Research of SPARX Asset Management Co., Ltd. Head of Equity Investment Department of SPARX Asset Management Co., Ltd. Director of SPARX Asset Management Co., Ltd. CIO of SPARX Asset Management Co., Ltd. (current position) Managing Executive Officer of SPARX Asset Management Co., Ltd. Director of SPARX Asset Management Korea Co., Ltd. Director of SPARX Group Co., Ltd. Group Executive Officer of SPARX Group Co., Ltd. Director of SPARX Asia Investment Advisors Limited (current position) Group Senior Managing Executive Officer of SPARX Group Co., Ltd. Group CIO of SPARX Group Co., Ltd. (current position) Representative Director, Senior Managing Director of SPARX Group Co., Ltd. (current position) Representative Director, Senior Managing Director of SPARX Asset Management Co., Ltd. (current position)	420,400
	Reasons for nomination as candidate for inside Director Using his knowledge and experience in the financial industry, Mr. Fujimura has accumulated an outstanding track record as a fund manager for Japanese equity funds since joining the Company and is highly regarded both in and outside the Company. The Company nominated him as a candidate for reappointment as Director for the further growth and business expansion of the Group going forward.			

(Notes) 1. There is no particular conflict of interests between any of the candidates and the Company.
2. Director candidate Mr. Shuhei Abe is a major shareholder of the Company, corresponding to the parent company, etc.
3. The Company has entered into a directors and officers liability insurance policy with an insurance company as set forth in Paragraph 1 of Article 430-3 of the Companies Act, and the outline of the contents of such insurance contract are stated on page 28 of the Business Report. If the appointment of a candidate for a director (excluding a director who is a member of the Audit and Supervisory Committee) is approved, the insurance policy will continue to be covered. The Company is also planning to renew the insurance contract with the same term for the next renewal.