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 28, 2024

For Immediate Release

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

SPARX's Space Frontiers Fund Invests in Space Shift, a Developer of AI Dedicated to Analyzing SAR Satellite Data

—Using satellite data to detect changes across the Earth in the pursuit of a sustainable society—

TOKYO—May 28, 2024—SPARX Group Co., Ltd. (SPARX; TSE Prime: 8739) today announced that its Space Frontiers Fund—established in June 2020—has made an additional investment in Space Shift Inc., a developer of AI dedicated to analyzing SAR satellite data. Space Shift plans to use this round of capital to bolster the team developing AI specializing in data analytics for synthetic aperture radar (SAR)* satellites and expand its business development in the public and private sectors.

* Synthetic aperture radar (SAR): A radar that emits radio waves from satellite antennas to observe waves reflected from target ground objects. It measures objects' size and surface characteristics based on these reflected radio waves.

■ Portfolio Company Profile

In 2009, Space Shift was founded to develop commercial satellite data analytics software and services. In 2021, it raised capital from the Space Frontiers Fund and other investors in its Series A round to develop its SAR satellite data analytics AI and businesses utilizing this data.

With this latest fundraising round, it intends to accelerate its AI development and expand its business development to help realize a more efficient society.

■ Space Frontiers Fund Overview

The Space Frontiers Fund primarily seeks to support human resources and technology development in space-related industries, foster globally competitive Japanese space companies, and assist technological innovation throughout Japan. Under SPARX subsidiary SPARX Innovation for the Future as its manager, the Fund began operations in June 2020 with an initial investment of JPY 9.2 billion from Toyota Motor Corporation, Mitsubishi UFJ Bank, Sumitomo Mitsui Banking Corporation, Mizuho Bank, and others. SPARX Asset Management Co., Ltd. one of SPARX's subsidiaries, has managed the Fund since April 2024.

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