The following is a translation (extract) of the official announcement given to the Tokyo Stock Exchange and the media in Tokyo, Japan. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

February 21, 2025

For Immediate Release

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

Making Hokkaido a Hydrogen Island: SPARX Pioneers the Future of GX

—Completing construction of the renewable hydrogen production plant in Tomakomai, Hokkaido, with the full-scale operation of a pilot project to create a supply chain—

TOKYO—February 21, 2025—SPARX Group Co., Ltd. (SPARX: TSE Prime 8739) today announced the completion of a hydrogen production plant in Tomakomai, Hokkaido. The hydrogen production plant is part of a pilot project to create a supply chain for hydrogen production, storage, transport, and use through its subsidiary SPARX Green Energy & Technology Co., Ltd. (SGET). The completion ceremony was held on February 14. Starting in March, the plant plans to supply hydrogen to multiple users, including local companies.

The hydrogen production plant is located on city-owned land adjacent to Tomakomai's municipal waste treatment facility and equipped with water electrolyzers and other devices. It plans to produce up to one million cubic meters per year of green hydrogen from renewable energy sources using electricity generated from waste power generation at the treatment facility and a newly installed solar power plant.

The project was selected under the Ministry of the Environment's "FY2023 model pilot project for lower cost hydrogen supply using existing infrastructure." SPARX aims to use this proof-of-concept demonstration to establish a "Tomakomai Model" of hydrogen production and continue pursuing new hydrogen utilization possibilities.

■ A video of the hydrogen production plant's completion ceremony and a project overview are available through SPARX subsidiary SGET 's website (Japanese version only)
https://www.sget.co.jp/news/detail/2324.html

■ Related press releases
Notice on Pilot Project Started in Tomakomai, Hokkaido, to Create a Supply Chain for Renewable Hydrogen
https://ssl4.eir-parts.net/doc/8739/tdnet/2310036/00.pdf

Safety Prayer Ritual Performed for Construction of Green Hydrogen Plant
https://ssl4.eir-parts.net/doc/8739/tdnet/2444925/00.pdf

■ This press release is not intended to solicit investments. Its sole purpose is to promote understanding of the SPARX Group's activities and provide information on its companies' businesses.

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