

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.



September 30, 2022

For Immediate Release

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

Notice of Dismissal of the Lawsuit Brought Against Our Subsidiary in the U.S.

As we announced in our “Notice of an Alleged Lawsuit Brought Against Our Subsidiary in the U.S.” on December 21, 2021, the Lawsuit was brought against SPARX Asset Management Co., Ltd. (“SAM”), our subsidiary, in the United States. We hereby announce that the Lawsuit was dismissed as the Plaintiff voluntarily filed a notice of dismissal with the court, as follows:

■ Name of Court, Date of Filing, and Current Status and Progress

United States District Court for the Northern District of California

Filed on December 7, 2021 (local time)

A summons and complaint were served on December 16, 2021 (local time) on SAM’s process agent in the State of California, which fact was known to SAM on December 21, 2021 (Japan time).

A notice of voluntary dismissal was filed by the Plaintiff on September 28, 2022 (local time), which fact was known to SAM on September 29, 2022 (Japan time).

■ Particulars of the Plaintiff

Name: Verdi Law Group, P.C.

(alleged to be a Professional Corporation established in the State of California, U.S.A.)

Address: 178 S. Victory Blvd. Suite 105, Burbank, California 91502, United States of America

Representative: Alfred J. Verdi, Chief Executive Officer

■ Summary of Allegations and Demand

Although the allegations against SAM were not clear, we understand that the Plaintiff demanded contractual payments of €1,422,000,000.00 in total from the Defendants.

■ Progress to Dismissal

After a preliminary review by it, SAM could find no information in its files related to the purported transaction alleged in the complaint. Through counsel, SAM informed the Plaintiff to that effect, and since the start of this case, SAM was in discussions with the Plaintiff to dismiss the complaint. To give the parties time to continue those discussions, the Plaintiff extended SAM’s time to respond to the complaint several times. Thereafter on September 28, 2022 (local time), the Plaintiff voluntarily filed the notice of dismissal with the court and the Lawsuit was dismissed. No payment of settlement money or the like was made by us or by SAM in relation to the Plaintiff’s voluntary dismissal.

■ Forecast

The dismissal of the Lawsuit has no effects on our businesses and the impact, if any, of the costs and expenses associated with the Lawsuit (including legal fees) on our future consolidated financial results is immaterial.

■ Previous Releases

(December 21, 2021)

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Notice of an Alleged Lawsuit Brought Against Our Subsidiary in the U.S.

<https://ssl4.eir-parts.net/doc/8739/tdnet/2062253/00.pdf>

(April 1, 2022)

Notice of Current Status of Alleged Lawsuit Brought Against Our Subsidiary in the U.S.

<https://ssl4.eir-parts.net/doc/8739/tdnet/2102982/00.pdf>

No further entry

- Contact Information
SPARX Group Co., Ltd., Finance & Management Control Dept.
TEL : 81-3-6711-9100 / FAX : 81-3-6711-9101