

The following is a translation (extract) of the official announcement given to the Tokyo Stock Exchange and the media in Tokyo, Japan.

Summary Report of Consolidated Financial Results for the Fiscal Year 2022 (April, 2022 - December, 2022)

January 31, 2023

Company Name: SPARX Group Co., Ltd.
 Stock Code Number: 8739
 (URL <https://www.sparxgroup.com>)
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 President & Representative Director, Group CEO
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Scheduled date of filing quarterly financial report: February 10, 2023

Scheduled commencing date of dividend payment: -

Supplemental information for quarterly financial results: Yes

Presentation materials will be posted on our HP on January 31, 2023.

Earnings announcement for quarterly financial results: Yes

Briefing video will be distributed on our website after disclosing Presentation materials.

(Amount rounded down to million yen)

1. Consolidated Results for FY2022 (April 1, 2022 to December 31, 2022)

(1) Consolidated Operating Results

(Percentage shows the percentage of change from the corresponding period of the previous year)

	Operating Revenue		Operating Profit		Ordinary Profit	
	Million yen	%	Million yen	%	Million yen	%
Apr.-Dec. FY2022	9,980	△5.9	4,222	△13.7	4,647	△2.2
Apr.- Dec. FY2021	10,602	3.4	4,891	11.6	4,751	8.3

(Note) Comprehensive Income Apr.2022-Dec.2022: 2,938 million yen (△11.4%)

Apr.2021-Dec.2021: 3,317 million yen (△17.3%)

	Profit attributable to owners of parent		Net Income per share	Net Income per share (fully diluted)
	Million yen	%	yen	yen
Apr.-Dec. FY2022	3,122	△15.2	78.23	—
Apr.- Dec. FY2021	3,684	40.8	92.16	—

Note: The Company conducted the reverse stock split (which have merged five shares of common stock into one share) with effective date of October 1, 2022. Net Income per share has been calculated based on the assumption that the reverse stock split had been conducted on April 1, 2021.

(2) Consolidated Financial Position

	Total Assets	Net Assets	Equity Ratio	Net Asset Per Share
	Million yen	Million yen	%	Yen
Dec. 2022	37,618	24,604	65.4	618.78
Mar. 2022	37,141	24,324	65.5	609.90

(Reference) Equity (i.e. "Shareholders' equity" and "Accumulated other comprehensive income")

Dec. 2022: 24,604 million yen Mar. 2022: 24,324 million yen

2. Dividends

	Dividends per share (yen)				Annual Total of Dividend
	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	
FY2021	—	0.00	—	12.00	Yen 12.00
FY2022	—	0.00	—		
FY2022(Expected)				60.00	60.00

Note: (1) Revisions to the most recently announced dividend forecast: Yes

(2) The Company conducted the reverse stock split (which have merged five shares of common stock into one share) with effective date of October 1, 2022. If the reverse stock split were to take into consideration, then the year-end dividend for the year ended March 31, 2022, would be 60.00 yen.

(3) Please refer to “Notice Regarding Revision to an Expected Dividend for Fiscal Year Ending on March 31, 2023”, which has also announced today(January 31, 2023).

3. Forecast of Results for the FY2022

SPARX Group’s primary business of investment trust management, discretionary investment management and investment advisory is influenced by changes in market conditions which make it difficult to forecast future operating results with accuracy.

In addition, with regards to month-end preliminary figures for assets under management (AUM), we have disclosed separately within five business days of beginning of every following month.

* Notes

(1) Significant changes in subsidiaries during this period (changes in designated subsidiaries resulting in changes in the scope of consolidation): No

Added: ___ company(ies) (name(s): _____) Removed: ___ company(ies) (name(s): _____)

(2) Application of special accounting methods in the preparation of the quarterly consolidated financial statements: No

(3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements

i. Changes in accounting policies due to revisions in accounting standards and other regulations: Yes

ii. Changes in accounting policies for reasons other than i.: No

iii. Changes in accounting estimates: No

iv. Restatement of prior period financial statements: No

(4) Number of shares issued and outstanding (common stock)

Number of shares issued and outstanding at the end of the period (including treasury stock)	As of Dec 31, 2022	41,915,480 shares	As of March 31, 2022	41,915,480 shares
Number of shares of treasury stock at the end of the period	As of Dec 31, 2022	2,152,648 shares	As of March 31, 2022	2,033,222 shares
Average number of shares during the period	Nine-month period ended Dec 31, 2022	39,917,299 shares	Nine-month period ended Dec 31, 2021	39,975,516 shares

Note: (1) The Company conducted the reverse stock split (which have merged five shares of common stock into one share) with effective date of October 1, 2022. The figures has been calculated based on the assumption that the reverse stock split had been conducted on April 1, 2021 for number of outstanding shares at the end of the periods (including treasury shares), number of share of treasury stock at the end of the period and average number of shares during the periods reflected this reverse stock split.

(2) The number of shares of treasury stock above includes shares held in trust accounts (999,820 shares as of December 31, 2022 and 493,380 shares as of March 31, 2022) for the employee stock ownership plan (ESOP) and stock grant trust for directors. Shares of the Company’s own stock held in ESOP trust accounts and stock grant trust account for directors are included in treasury stock subtracted from the calculation of the average number of shares during the period (721,529 shares for the nine-month period ended December 31, 2022 and 498,808 shares for the nine-month period ended December 31, 2021).

* This summary report of financial statements are not subject to audit review by certified public accountants or auditing firms.