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Securities Code: 8739

May 18, 2023

(Commencement of electronic provision: May 12, 2023)

To our shareholders:

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

Notice of the 34th Ordinary General Meeting of Shareholders

We would like to express our heartfelt gratitude for your continued support.

We are pleased to announce that the 34th Ordinary General Meeting of Shareholders of SPARX Group Co., Ltd. (the “Company”) will be held as indicated below.

The Company has adopted a system of electronic provision for the convocation of this General Meeting of Shareholders. The electronically provided information is posted on the website below in the form of “Notice of the 34th Ordinary General Meeting of Shareholders.”

Company website:

General Meeting of Shareholders page (<https://www.sparxgroup.com/ir/meeting/>)

The information is also posted on the following websites:

Tokyo Stock Exchange’s “Listed Company Search” page

(<https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show>)

After accessing the website, enter the Company’s name or securities code in the appropriate field, and click on “Search.” Next, click on “Basic information” and “Documents for public inspection/PR information” in turn.

Shareholders who will not attend the meeting in person may exercise their voting rights via the internet or in writing. Please review the Reference Documents for the Ordinary General Meeting of Shareholders, which are posted as part of the information provided electronically, and exercise your voting rights no later than 5:30 p.m. on Thursday, June 8, 2023 (JST) using one of the following methods.

[Exercise of voting rights via the internet, etc.]

Please access the voting website (<https://www.web54.net>) (Japanese only) 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.

[Exercise of voting rights in writing (by postal mail)]

Please indicate your approval or disapproval of each proposal on the voting form and return it by the above voting deadline.

1. Date and Time: Friday, June 9, 2023, 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 FY2022 (from April 1, 2022 to March 31, 2023)
2. Non-consolidated Financial Statements for FY2022 (from April 1, 2022 to March 31, 2023)

Matters to be resolved:

- | | |
|----------------|---|
| Proposal No. 1 | Appropriation of Surplus |
| Proposal No. 2 | Election of Two Directors (Excluding Directors Who Are Audit and Supervisory Committee Members) |
| Proposal No. 3 | Election of One Director Who Is an Audit and Supervisory Committee Member |

- If attending in person, you are kindly requested to exercise your voting rights by presenting the 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.
- The Company has sent a document stating the information provided electronically to shareholders who have requested it. However, in accordance with relevant laws and regulations and the provisions of Article 14 of the Company’s Articles of Incorporation, this document does not include the matters listed below. Accordingly, the Business Report, Consolidated Financial Statements, and Non-consolidated Financial Statements provided in this document are part of the documents audited by the Independent Auditor in the preparation of the Independent Auditor’s Report and by the Audit and Supervisory Committee in the preparation of its Audit Report.
 - (1) “Major business segments of the business group,” “Major business locations of the business group,” “Major lenders and amounts of borrowings,” “Matters regarding the determination of dividends of surplus, etc.,” and “Other significant matters regarding the current status of the business group” under “Current status of the business group” in the Business Report
 - (2) “System to ensure the properness of operations and operational status of the system” in the Business Report
 - (3) “Basic policy regarding control of the Company” in the Business Report
 - (4) “Consolidated Statement of Changes in Equity” and “Notes to Consolidated Financial Statements” in the Consolidated Financial Statements
 - (5) “Non-Consolidated Statement of Changes in Equity” and “Notes to Non-consolidated Financial Statements” in the Non-consolidated Financial Statements
- Revisions to the information provided electronically will be posted on the Company’s website and on the Tokyo Stock Exchange’s “Listed Company Search” page. Details of these websites can be found on page 1.

Reference Documents for the Ordinary General Meeting of Shareholders

Proposal No. 1 **Appropriation of Surplus**

The Company has positioned returns of profits to shareholders as one of the most important tasks of its business management, alongside sustained growth and medium- to long-term enhancement of corporate value. Its policy for the determination of shareholder returns is to consider the stability and continuity of the Company from a medium- to long-term perspective, while comprehensively examining factors such as business performance trends, financial condition, and return ratio, as well as the timing and method of returns.

Based on this policy, the Company has decided to issue an ordinary dividend of ¥60 per share for the fiscal year, considering the continued stability of the Company's financial condition and the fact that Base Earnings (*) have been generally maintained at record high levels. This is the same amount as the previous fiscal year's ordinary dividend after adjustment for the reverse stock split.

(1) **Type of dividend property**

Cash

(2) **Allotment of dividend property and aggregate amount thereof**

¥60 per common stock of the Company

(Same amount as the ordinary dividend of the previous fiscal year)

Total dividends: ¥2,445,166,320

(3) **Effective date of dividends of surplus**

June 12, 2023

(*) 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

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

Operating profit for consolidated and non-consolidated financial accounting purposes includes one-time or additional performance fees, which fluctuate greatly depending on trends in the equity market and the progress of the real asset investment business. For this reason, the Company regards Base Earnings, which indicates sustained and stable fundamental profitability, as one of its most important financial indicators.

Proposal No. 2 **Election of Two Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)**

The terms of office of all four currently serving Directors (excluding Directors who are Audit and Supervisory Committee Members) will expire at the conclusion of this meeting.

To further expand its business and enhance its corporate value, the Company aims to strengthen the supervisory function of the Board of Directors by establishing a clearer separation between supervision and execution. It also seeks to appoint and train successors to lead the Company and build a new management structure through swifter execution of operations achieved by creating a flatter organization. Therefore, to achieve these aims, the Company requests the election of two Directors (excluding Directors who are Audit and Supervisory Committee Members).

The Audit and Supervisory Committee has determined that both candidates for Director are suitable appointments for the position.

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	Shuheii Abe	President & Representative Director, Group CEO, Group CIO Representative Director, President & CEO of SPARX Asset Management Co., Ltd.	Reappointment
2	Masatoshi Fukami	Representative Director, Executive Deputy President Director of SPARX Asset Management Co., Ltd. Chairman and Director of SPARX Asset Trust & Management Co., Ltd.	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	<p>Shuhei Abe (May 10, 1954)</p> <p>Reappointment</p> <p>Attendance at Board of Directors meetings: 17 of 17</p> <p>Term of office: 34 years</p>	<p>Apr. 1981 Joined Nomura Research Institute, Ltd.</p> <p>Apr. 1982 Transferred to Nomura Securities Co., Ltd.</p> <p>Apr. 1985 Founded Abe Capital Research Inc., Representative Director</p> <p>Jun. 1989 Representative Director, President of SPARX Group Co., Ltd. (current position)</p> <p>Feb. 2005 Director of Cosmo Asset Management Co., Ltd. (currently SPARX Asset Management Korea Co., Ltd.)</p> <p>Oct. 2006 Representative Director, President of SPARX Asset Management Co., Ltd.</p> <p>Dec. 2008 Representative Director, Chairman of SPARX Asset Management Co., Ltd.</p> <p>Jun. 2009 Group CIO of SPARX Group Co., Ltd.</p> <p>Apr. 2010 CEO of SPARX Asset Management Co., Ltd. (current position)</p> <p>Apr. 2011 Representative Director, President of SPARX Asset Management Co., Ltd. (current position) Group CEO of SPARX Group Co., Ltd. (current position)</p> <p>Feb. 2013 Director of Cosmo Asset Management Co., Ltd. (currently SPARX Asset Management Korea Co., Ltd.)</p> <p>Apr. 2023 Group CIO of SPARX Group Co., Ltd. (current position)</p>	15,573,720
<p>Reasons for nomination as candidate for inside Director</p> <p>With his wealth of experience in the overseas investment industry, Mr. Abe has been at the helm of the Group for 34 years since its founding. His direction has led the Group to its strong position as an independent investment company and has driven its growth. The Company nominated him as a candidate for reappointment as Director for the further growth of the Group. Please refer to the “Skills matrix for Directors after the General Meeting of Shareholders should Proposals 2 and 3 be approved as proposed” on page 10 for the knowledge and experience that the Company particularly expects in its selection of the candidate.</p>			

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	<p>Masatoshi Fukami (September 27, 1961)</p> <p>Reappointment</p> <p>Attendance at Board of Directors meetings: 17 of 17</p> <p>Term of office: 9 years</p>	<p>Apr. 1984 Joined Nomura Securities Co., Ltd.</p> <p>Nov. 1997 Joined SPARX Asset Management Co., Ltd. (currently SPARX Group Co., Ltd.)</p> <p>May 1998 Transferred to SPARX Securities Co., Ltd.</p> <p>Jun. 2002 Representative Director of SPARX Securities Co., Ltd.</p> <p> Director (non-executive) of SPARX Asset Trust Management Co., Ltd. (currently SPARX Group Co., Ltd.)</p> <p>Oct. 2006 Executive Officer of SPARX Group Co., Ltd.</p> <p>Jun. 2007 Managing Director of SPARX Group Co., Ltd.</p> <p>Apr. 2008 Director of SPARX Asset Management Co., Ltd.</p> <p>Oct. 2008 Director of SPARX Group Co., Ltd.</p> <p>Feb. 2009 Representative Director, President of SPARX Securities Co., Ltd.</p> <p>Jul. 2010 Director of SPARX Asset Management Co., Ltd.</p> <p>Aug. 2012 Representative Director of SPARX Green Energy & Technology Co., Ltd.</p> <p>Feb. 2014 Representative Director of SPARX Asset Management Co., Ltd.</p> <p>Apr. 2014 Representative Director, President of SPARX Asset Trust & Management Co., Ltd.</p> <p>May 2014 Director of SPARX Group Co., Ltd.</p> <p>Dec. 2015 Representative Director, Managing Executive Officer of SPARX Asset Management Co., Ltd.</p> <p>Jan. 2016 Group Executive Officer of SPARX Group Co., Ltd.</p> <p> Chairman and Director of SPARX Asset Trust & Management Co., Ltd. (current position)</p> <p>May 2016 Director of SPARX Asset Management Korea Co., Ltd.</p> <p>Apr. 2017 Director and Chairman of SPARX Green Energy & Technology Co., Ltd.</p> <p>Jun. 2017 Representative Director of SPARX Group Co., Ltd.</p> <p>Apr. 2019 Representative Director, Executive Deputy President, Group Deputy CEO of SPARX Group Co., Ltd.</p> <p> Representative Director, Executive Deputy President of SPARX Asset Management Co., Ltd. (current position)</p> <p> Director of SPARX Green Energy & Technology Co., Ltd.</p> <p>Apr. 2021 Representative Director, Executive Deputy President, Group COO of SPARX Group Co., Ltd.</p> <p>April 2022 COO of SPARX Asset Management Co., Ltd.</p> <p>April 2023 Representative Director, Executive Deputy President of SPARX Group Co., Ltd. (current position)</p> <p> Director of SPARX Asset Management Co., Ltd. (current position)</p>	296,400
<p>Reasons for nomination as candidate for inside Director</p> <p>Since joining the Company, Mr. Fukami has used his experience in the financial industry to drive the growth of the Group. He has mainly been responsible for marketing, and has subsequently engaged in internal control and management, and in starting up new businesses. The Company nominated him as a candidate for reappointment as Director for the further growth of the Group. Please refer to the “Skills matrix for Directors after the General Meeting of Shareholders should Proposals 2 and 3 be approved as proposed” on page 10 for the knowledge and experience that the Company particularly expects in its selection of the candidate.</p>			

(Notes) 1. There are no special interests between either 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 Article 430-3, paragraph (1) of the Companies Act. An outline of the contents of the insurance contract is provided on page 26 of the Business Report (in Japanese only). If the appointment of the candidates for Director is approved, they will continue to be included as the insured under the insurance policy. The Company also plans to renew the insurance contract with the same terms when it is next due for renewal.
4. “Number of shares of the Company’s common stock owned” is the number of shares that can be confirmed from the shareholder registry as of March 31, 2023. The Company implemented a reverse stock split in which 5 shares of the Company’s common stock were consolidated into 1 share effective October 1, 2022, and the “Number of shares of the Company’s common stock owned” represents the number of shares owned after the reverse stock split.
5. Current Representative Director, Senior Managing Director, Tadahiro Fujimura, and current Senior Managing Director, Hiroshi Minematsu, will retire from their positions due to the expiration of their terms of office. If this proposal is approved as proposed, the new executive structure will be as shown below. After his retirement, Mr. Tadahiro Fujimura will continue to work as CIO/Senior Fund Manager in SPARX Asset Management Co., Ltd., a subsidiary of the Company.

Position	Name
Representative Director, President, Group CEO, Group CIO	Shuhei Abe
Director	Masatoshi Fukami
Group Executive Officer, Group CFO	Hiroshi Minematsu
Group Executive Officer	Takeshi Suzuki
Group Executive Officer	Takaki Demichi
Group Executive Officer	Takahide Taniwaki

Proposal No. 3 **Election of One Director Who Is an Audit and Supervisory Committee Member**

The Company proposes the election of one Director who is an Audit and Supervisory Committee Member to strengthen and enhance the audit system.

The consent of the Audit and Supervisory Committee has been obtained for this proposal.

The candidate for Director who is an Audit and Supervisory Committee Member is as follows:

[Reference] List of candidates

Name	Position and responsibility in the Company and significant concurrent positions outside the Company	
Kimie Morishita	Advisor, Asahi Soft Drinks Co., Ltd. Director, Japan-United States Educational Exchange Promotion Foundation	New appointment

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
<p>Kimie Morishita (August 18, 1967) New appointment Outside</p>	<p>Apr. 1993 Joined Dentsu Inc. Sep. 2001 Joined McKinsey & Company Japan May 2003 Joined Dentsu Inc. Oct. 2016 Director of CEO Office, Dentsu Aegis Network China (Chinese Group) Jul. 2018 General Manager, Dentsu Innovation Initiative – innovation intelligence Mar. 2019 Global Business Center Head of network development and General Manager of Network Solutions Division Apr. 2019 Director, Dentsu isobar Inc. Director, Carat Japan K.K. Director, iProspect Japan K.K. Director, Vizeum Japan K.K. Jan. 2020 Director, Dentsu X Japan Inc. Jun. 2021 Executive Officer, Ryohin Keikaku Co., Ltd. Jun. 2022 Director, Japan-United Educational Exchange Promotion Foundation (current position) Apr. 2023 Advisor, Asahi Soft Drinks Co., Ltd. (current position)</p>	-
<p>Reasons for nomination as candidate for outside Director who is an Audit and Supervisory Committee Member and overview of expected roles</p> <p>Ms. Morishita has a broad range of insight based on her extensive experience in marketing operations and management in the advertising industry, both in Japan and overseas, and experience in management in other industries. The Company nominated her as a candidate for appointment as outside Director who is an Audit and Supervisory Committee Member of the Company with the expectation that she will use that insight and experience to provide useful advice and recommendations to the Company from the perspective of promoting sustainable growth and enhancing corporate value over the medium to long term. The Company has determined that she is suitable to perform the duties of such a position. Please refer to the “Skills matrix for Directors after the General Meeting of Shareholders should Proposals 2 and 3 be approved as proposed” on page 10 for the knowledge and experience that the Company particularly expects in its selection of the candidate.</p>		

- (Notes)
1. There are no special interests between the candidate and the Company.
 2. Ms. Kimie Morishita is a candidate for outside Director.
 3. Pursuant to the provision of Article 427, paragraph (1) of the Companies Act, the Company will enter into an agreement with Ms. Kimie Morishita limiting her liability under Article 423, paragraph (1) of the Companies Act.
 4. The Company has entered into a directors and officers liability insurance policy with an insurance company as set forth in Article 430-3, paragraph (1) of the Companies Act. An outline of the contents of the insurance contract is provided on page 26 of the Business Report (in Japanese only). If the election of the candidate for Director is approved, she will be included as the insured under the insurance policy. The Company also plans to renew the insurance contract with the same terms for the next renewal.
 5. If Ms. Kimie Morishita's election is approved as proposed, the Company will submit a notification to the Tokyo Stock Exchange of her designation as an independent officer under the regulations of the said exchange.
 6. “Number of shares of the Company's common stock owned” is the number of shares that can be confirmed from the shareholder registry as of March 31, 2023. The Company implemented a reverse stock split in which 5 shares of the Company's common stock were consolidated into 1 share effective October 1, 2022, and the “Number of shares of the Company's common stock owned” represents the number of shares owned after the reverse stock split.

(Reference) Skills matrix for Directors after the General Meeting of Shareholders should Proposals 2 and 3 be approved as proposed

The Company’s Board of Directors remains cognizant of the diversity and international acumen necessary for growing the business of SPARX Group and therefore selects director candidates based on whether they are equipped with extensive knowledge and experience in corporate management and with the qualifications, abilities, and expert knowledge that will contribute to improved corporate value. Candidates should also be able to actively participate in the Board’s diverse, constructive discussions, and they should be “individuals with an excellent sense of humanity who have the track record and experiences needed to fulfill all their duties as directors of the Company, and who are qualified to further grow and expand the businesses of the Group in the future.”

To facilitate supervision and the provision of advice on the formulation of basic management policies, as well as decision making for particularly material management decisions, and the execution of tasks by directors and executive officers, appointments are made to ensure that the Board has a good overall balance of knowledge, experience, and abilities, while also accounting for the balance—in light of the scale, etc. of the Group’s business—between Board size and diversity.

Reflecting on operational strategies, the Company’s Board of Directors has identified seven essential abilities as the knowledge and experience required of each of its members, as shown in the table below. The skills matrix below shows up to three essential abilities for each Director that the Company will expect in this regard if the candidates listed in this Notice of Convocation are appointed as proposed.

Name	Position and Responsibilities	Gender	Age *1.	Director Term of office	Knowledge and experience (max. 3) that the Company particularly expects						
					Management in general	Investment evaluation/ Analysis duties	Business development/ Marketing duties	International business	Experience in other industries	Finance/ Accounting	Compliance/ Legal/Risk Management
Shuhei Abe	Representative Director, President Group CEO	Male	68	34 years	○		○	○			
Masatoshi Fukami	Director	Male	61	9 years	○		○				○
Kazuyoshi Kimura	Outside Director Audit and Supervisory Committee Member	Male	79	11 years *2.	○		○		○		
Kimikazu Noumi	Outside Director Audit and Supervisory Committee Member	Male	77	6 years *2.	○	○				○	
Toshihiko Nakagawa	Outside Director Audit and Supervisory Committee Member	Male	71	8 years *2.	○		○		○		
Eiko Hakoda	Outside Director Audit and Supervisory Committee Member	Female	65	1 year	○				○		○
Kimie Morishita	Outside Director Audit and Supervisory Committee Member	Female	55	0 years	○		○		○		

*1. Age as of March 31, 2023.

*2. The term of office of Mr. Kazuyoshi Kimura includes eight years as Outside Corporate Auditor prior to the Company’s transition to a company with Audit and Supervisory Committee. The terms of office of Mr. Kimikazu Noumi and Mr. Toshihiko Nakagawa include three years and five years, respectively, as outside Director prior to the Company’s transition to a company with Audit and Supervisory Committee.