

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 2023 (April, 2023 - September, 2023)

October 31, 2023

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

Scheduled commencing date of dividend payment: -

Supplemental information for quarterly financial results: Yes

Presentation materials will be posted on our HP on October 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 FY2023 (April 1, 2023 to September 30, 2023)

(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.-Sep. FY2023	7,930	18.2	3,531	21.5	3,738	8.3
Apr.-Sep. FY2022	6,710	△1.1	2,907	△5.6	3,450	16.0

(Note) Comprehensive Income Apr.2023-Sep.2023: 4,808 million yen (126.0%)

Apr.2022-Sep.2022: 2,127 million yen (2.0%)

	Profit attributable to owners of parent		Net Income per share	Net Income per share (fully diluted)
	Million yen	%	yen	yen
Apr.-Sep. FY2023	3,332	46.5	83.64	—
Apr.-Sep. FY2022	2,275	1.5	56.97	—

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 for Apr.-Sep. FY2022 above has been calculated based on the assumption that the reverse stock split had been conducted on April 1, 2022.

(2) Consolidated Financial Position

	Total Assets	Net Assets	Equity Ratio	Net Asset Per Share
	Million yen	Million yen	%	Yen
Sep. 2023	42,324	28,564	67.5	716.42
Mar. 2023	39,382	26,047	66.1	655.21

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

Sep. 2023: 28,570 million yen Mar. 2023: 26,046 million yen

2. Dividends

	Dividends per share (yen)				Annual Total of Dividend
	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	
FY2022	—	0.00	—	60.00	Yen 60.00
FY2023	—	0.00			
FY2023(Expected)			—	—	—

Note: (1) Revisions to the most recently announced dividend forecast: No

(2) The expected amount of dividends for the fiscal year ending March 31, 2024 is undecided because the Company does not disclose of the forecast of operating results.

3. Forecast of Results for the FY2023

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 are disclosing these figures within five business days after the end of each 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: No

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 September 30, 2023	41,915,480 shares	As of March 31, 2023	41,915,480 shares
Number of shares of treasury stock at the end of the period	As of September 30, 2023	2,035,521 shares	As of March 31, 2023	2,162,528 shares
Average number of shares during the period	Six-month period ended September 30, 2023	39,842,237 shares	Six-month period ended September 30, 2022	39,931,720 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. 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 (1,671,993 shares as of September 30, 2023 and 999,820 shares as of March 31, 2023) 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 (1,063,963 shares for the six-month period ended September 30, 2023 and 581,622 shares for the six-month period ended September 30, 2022).

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

* Explanation concerning the appropriate use of forecasts of business performance and other notes

For the reasons stated in section "3. Forecast of Results for the FY2023", the forecast of the dividend has not been presented. Once dividend amount are determined, it will be announced promptly.

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