

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.



November 20, 2023

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

Notice Regarding Resolution on Acquisition of Treasury Stock

(Acquisition of Treasury Stock under Article 165, Paragraph 2 of the Companies Act)

TOKYO (November 20, 2023) – We, SPARX Group Co., Ltd. (“SPARX Group”), hereby inform you that we resolved acquisition of treasury stock pursuant to the provision of Article 156 of the Companies Act as applied with modification by its Article 165, Paragraph 3, at the meeting of board of directors held today, as follows:

■ Reason for acquisition of treasury stock

SPARX Group has positioned return of profits to the shareholders to be one of the most important tasks of our business management, while appropriately allocating capital as well as enhancing continuous growth and mid- to long-term increase of corporate value.

In addition to paying stable and continuous dividends, the Company will acquire treasury stock to further enhance shareholder returns. At the same time, this acquisition will be conducted in order to improve capital efficiency and enable effective execution of its capital strategy in response to changes in the business environment while taking into consideration of its timing and scale. Upon careful consideration of capital allocation after considering the Company's financial position, investment plans for further growth, and profits that have temporarily recognized etc., the Company will acquire treasury stock up to a maximum of 500 million yen. We will continue to strive to further return of profits to shareholders and improve capital efficiency by appropriately allocating capital in a timely manner.

■ Outline in relation to acquisition

(1) Type of shares to be acquired	Shares of common stock of SPARX Group
(2) Total number of shares to be acquired	Up to 330,000 shares (0.79% of total issued common stock (excluding treasury stock))
(3) Total price of shares to be acquired	Up to 500 million yen
(4) Period of stock acquisition	From November 21, 2023 through March 31, 2024

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(Additional information)

Detailed information on treasury stock (as of September 30, 2023)

Total number of shares issued (excluding treasury stock)	41,551,952 shares
Total number of treasury stock	363,528 shares
% of treasury stock to the total number of shares issued	0.87%

*The above number of treasury stock does not include shares owned by the trust account for the Employee Stock Ownership Plan (ESOP) and stock grant trust for directors, which owned 1,671,993 shares as of September 30, 2023.

■ Contact Information

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No further entry