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Securities Code: 8739

May 17, 2024

(Commencement of electronic provision: May 10, 2024)

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 35th Ordinary General Meeting of Shareholders

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

We are pleased to announce that the 35th 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 35th 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 6, 2024 (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 7, 2024, 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 FY2023 (from April 1, 2023 to March 31, 2024)
2. Non-consolidated Financial Statements for FY2023 (from April 1, 2023 to March 31, 2024)

**Matters to be resolved:**

- |                |  |
|----------------|--|
| Proposal No. 1 | Appropriation of Surplus   |
| Proposal No. 2 | Partial Amendment to the Articles of Incorporation   |
| Proposal No. 3 | Election of One Director (Excluding Directors Who Are Audit and Supervisory Committee Members) |
| Proposal No. 4 | Election of Four Directors Who Are Audit and Supervisory Committee Members                     |

- 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 through appropriate capital allocation 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, upon careful deliberation of appropriate levels of cash and deposits and other aspects of the Company's financial condition, investment plans for further growth, and capital allocation, including the acquisition of treasury stock in the fiscal year under review, the Company has decided to issue an ordinary dividend of ¥66 per share for the fiscal year, ¥6.0 higher than the previous fiscal year's ordinary dividend of ¥60.0 per share, mainly considering the continued stability of the Company's financial condition and the fact that Base Earnings (\*) have been increasing.

(1) **Type of dividend property**

Cash

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

¥66 per common stock of the Company

Total dividends: ¥2,722,841,220

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

June 10, 2024

(\*) 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      **Partial Amendment to the Articles of Incorporation**

1. Reasons for Proposal

This proposal changes the general shareholders’ meeting chairperson to “the person selected in advance by the Board of Directors” to ensure flexible and stable conduct of the meeting. The Board of Directors plans to select the chairperson from among the SPARX’s Directors or Group Executive Officers who are also shareholders.

2. Amendment Details

Details of the amendment are as follows.

(Changes are indicated by underlined text.)

Current Articles of Incorporation	Proposed Amendment
<p>Article 13: Convener and Chairperson                      The convener <u>and chairperson</u> of a general shareholders’ meeting shall <u>each</u> be a director selected in advance by the Board of Directors unless otherwise provided by laws or ordinances.                      (2) In the event that the <u>director set forth in the preceding paragraph</u> is unavailable or absent, another <u>director</u> shall take their place in an order set by the Board of Directors in advance.</p>	<p>Article 13: Convener and Chairperson                      The convener of a general shareholders’ meeting shall be a director selected in advance by the Board of Directors unless otherwise provided by laws or ordinances. <u>In the event that the said director is unavailable or absent, another director shall take their place in an order set by the Board of Directors in advance.</u>                      (2) <u>The chairperson of a general shareholders’ meeting shall be the person selected in advance by the Board of Directors unless otherwise provided by laws or ordinances.</u> In the event that <u>the said person</u> is unavailable or absent, another <u>person</u> shall take their place in an order set by the Board of Directors in advance.</p>

Proposal No. 3      **Election of One Director (Excluding Directors Who Are Audit and Supervisory Committee Members)**

The terms of office of all two 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 a reduction of one Director and the election of one Director (excluding Directors who are Audit and Supervisory Committee Members).

The Audit and Supervisory Committee has determined that the candidate for Director is a suitable appointment for the position.

The candidate for Director is as follows:

**[Reference] List of candidate**

Name	Position and responsibility in the Company and significant concurrent positions outside the Company	
<b>Shuhei Abe</b>	President & Representative Director, Group CEO, Group CIO of SPARX Group Co., Ltd. Representative Director, President & CEO of SPARX Asset Management Co., Ltd.	Reappointment

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 style="text-align: center;"><b>Shuhei Abe</b> (May 10, 1954)</p> <p style="text-align: center;">Reappointment</p> <p>Attendance at Board of Directors meetings: 17 of 17</p> <p>Term of office: 35 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      President &amp; Representative Director 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

**Reasons for nomination as candidate for inside Director**

With his wealth of experience in the overseas investment industry, Mr. Abe has been at the helm of the Group for 35 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 3 and 4 be approved as proposed" on page 13 for the knowledge and experience that the Company particularly expects in its selection of the candidate.

- (Notes)
- There are no special interests between the candidate and the Company.
  - Director candidate Mr. Shuhei Abe is a major shareholder of the Company, corresponding to the parent company, etc.
  - If the candidate for Director is elected, the Company plans for him to assume the position of President & Representative Director, Group CEO, and Group CIO.
  - 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 27 of the Business Report (in Japanese only). If the appointment of the candidate for Director is approved, he will continue to be included as the insured under the insurance policy. The Company also plans to renew the insurance contract during his term of office.
  - "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, 2024.
  - Current Director, Mr. Masatoshi Fukami, will retire from his position due to the expiration of his term of office at the conclusion of this Ordinary General Meeting of Shareholders. Mr. Fukami assumed the position of Director of IJTT Co., Ltd., a portfolio company of Japan Monozukuri Mirai Fund, which is managed and operated by the Company, at an extraordinary general shareholders' meeting held by IJTT on April 26, 2024.

If this proposal is approved as proposed, the new executive structure will be as shown below.

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

The terms of office of Directors who are Audit and Supervisory Committee Members, the following four directors out of five, Mr. Kazuyoshi Kimura, Mr. Kimikazu Noumi, Mr. Toshihiko Nakagawa, and Ms. Eiko Hakoda, will expire at the conclusion of this meeting. Accordingly, the Company proposes the election of four Directors who are Audit and Supervisory Committee Members, with the addition of new Director who is an Audit and Supervisory Committee Member, to build, strengthen and enhance a stable audit system.

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

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

**[Reference] List of candidates**

Candidate no.	Name	Position and responsibility in the Company and significant concurrent positions outside the Company	
1	<b>Toshihiko Nakagawa</b>	Outside Director (Audit and Supervisory Committee Member) of SPARX Group Co., Ltd. Corporate Auditor of SPARX Asset Management Co., Ltd. Representative Director of Office Nakagawa Co., Ltd. Outside Auditor of Asuka SSI	Reappointment
2	<b>Kimikazu Noumi</b>	Outside Director (Audit and Supervisory Committee Member) of SPARX Group Co., Ltd. Corporate Auditor of SPARX Asset Management Co., Ltd. Advisor of J-Will Corporation Ltd. Outside Director (Audit and Supervisory Committee Member) of Wismettac Nishimoto HD Co., Ltd. Outside Director (Audit and Supervisory Committee Member) of IR Japan Holdings, Ltd.	Reappointment
3	<b>Eiko Hakoda</b>	Outside Director (Audit and Supervisory Committee Member) of SPARX Group Co., Ltd. Corporate Auditor of SPARX Asset Management Co., Ltd. Outside Corporate Auditor of CMIC HOLDINGS Co., Ltd. Outside Director of The Prudential Life Insurance Company, Ltd. Special Counsel of GAIEN PARTNERS	Reappointment
4	<b>Asako Saito</b>	Outside Director of Yaoko Co., Ltd. Outside Director of MITSUBISHI PENCIL COMPANY, LIMITED Outside Director of Circulation Co., Ltd. Representative Director of BLOOM Co., Ltd.	New appointment

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 style="text-align: center;"><b>Toshihiko Nakagawa</b> (September 30, 1951)</p> <p style="text-align: center;">Reappointment Outside</p> <p style="text-align: center;">Attendance at Board of Directors meetings: 17 of 17</p> <p style="text-align: center;">Term of office: 4 years*3.</p>	<p>Apr. 1974      Joined Nomura Securities Co., Ltd.</p> <p>Jun. 1997      Director of Nomura Securities Co., Ltd.</p> <p>May 2001      Managing Director of Nomura Securities Co., Ltd.</p> <p>Jun. 2001      Advisor to Nomura Securities Co., Ltd.</p> <p>Jul. 2001      Director, Managing Executive Officer of Aioi Insurance Co., Ltd. (currently Aioi Nissay Dowa Insurance Co., Ltd.)</p> <p>Apr. 2008      Director, Senior Managing Executive Officer of Aioi Insurance Co., Ltd.</p> <p>Oct. 2010      Director, Senior Managing Executive Officer of Aioi Nissay Dowa Insurance Co., Ltd.</p> <p>Apr. 2014      Representative of Office Nakagawa K.K.</p> <p>Nov. 2014      Advisor to Capital Partners Securities Co., Ltd.</p> <p>Apr. 2015      Representative Director of Office Nakagawa K.K. (current position)</p> <p>Jun. 2015      Outside Director of SPARX Group Co., Ltd.</p> <p>Jun. 2020      Outside Director (Audit and Supervisory Committee Member) of SPARX Group Co., Ltd. (current position)</p> <p>Corporate Auditor of SPARX Asset Management Co., Ltd. (current position)</p> <p>Outside Auditor of ASUKA SSI (current position)</p>	20,000
<p>Reasons for nomination as candidate for outside Director who is an Audit and Supervisory Committee Member and overview of expected roles</p> <p>Mr. Nakagawa has a broad range of insight based on his extensive experience in management in the finance industry. The Company nominated him as a candidate for appointment as outside Director who is an Audit and Supervisory Committee Member of the Company with the expectation that he will use that insight and experience to provide useful advice and recommendations to the Company from the perspectives of promoting sustainable growth and enhancing corporate value over the medium to long term. The Company has determined that he 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 3 and 4 be approved as proposed” on page 13 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 style="text-align: center;"><b>Kimikazu Noumi</b> (October 24, 1945)</p> <p style="text-align: center;">Reappointment Outside</p> <p style="text-align: center;">Attendance at Board of Directors meetings: 17 of 17 Term of office: 4 years*3.</p>	<p>Apr. 1969      Joined The Norinchukin Bank</p> <p>Jun. 1999      Managing Director of The Norinchukin Bank</p> <p>Jun. 2002      Senior Managing Director of The Norinchukin Bank</p> <p>Jun. 2004      President &amp; Representative Director of Norinchukin Zenkyoren Asset Management Co., Ltd.</p> <p>Jun. 2006      Representative Director and Deputy President of Aozora Bank, Ltd.</p> <p>Feb. 2007      Representative Director and Chairman and CEO of Aozora Bank, Ltd.</p> <p>Jul. 2009      Chairman and CEO of INCJ, Ltd.</p> <p>Jul. 2015      Advisor of J-Will Corporation Ltd. (current position)</p> <p>Mar. 2016      Outside Director (Audit and Supervisory Committee Member) of Wismettac Nishimoto HD Co., Ltd. (current position)</p> <p>Jun. 2016      Outside Director of Konica Minolta, Inc.</p> <p>Jun. 2017      Outside Director of SPARX Group Co., Ltd.</p> <p>Jun. 2020      Outside Director (Audit and Supervisory Committee Member) of SPARX Group Co., Ltd. (current position)</p> <p>                    Corporate Auditor of SPARX Asset Management Co., Ltd. (current position)</p> <p>Jun. 2021      Outside Director (Audit and Supervisory Committee Member) of IR Japan Holdings, Ltd. (current position)</p>	-

Reasons for nomination as candidate for outside Director who is an Audit and Supervisory Committee Member and overview of expected roles

Mr. Noumi has a broad range of insight based on his extensive experience in management in the finance industry, in addition to experience as an outside director in other industries. The Company nominated him as a candidate for appointment as outside Director who is an Audit and Supervisory Committee Member of the Company with the expectation that he will use that insight and experience to provide useful advice and recommendations to the Company from the perspectives of promoting sustainable growth and enhancing corporate value over the medium to long term. The Company has determined that he 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 3 and 4 be approved as proposed" on page 13 for the knowledge and experience that the Company particularly expects in its selection of the candidate.

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
3	<p><b>Eiko Hakoda</b> (May 25, 1957)</p> <p>Reappointment Outside</p> <p>Attendance at Board of Directors meetings: 17 of 17</p> <p>Term of office: 2 years</p>	<p>Apr. 1980      Joined Hamada &amp; Matsumoto (currently Mori Hamada &amp; Matsumoto)</p> <p>Apr. 1990      Legal apprentice, The Legal Training and Research Institute of the Supreme Court of Japan</p> <p>Apr. 1992      Registered as an attorney (Daini Tokyo Bar Association)</p> <p>                    Joined Hamada &amp; Matsumoto (currently Mori Hamada &amp; Matsumoto)</p> <p>Jan. 2005      Partner of Mori Hamada &amp; Matsumoto</p> <p>Jan. 2016      LPC Partner of Mori Hamada &amp; Matsumoto (Legal Professional Corporation)</p> <p>Jun. 2019      Outside Auditor of KITO Corporation</p> <p>Jun. 2022      Outside Director (Audit and Supervisory Committee Member) of SPARX Group Co., Ltd. (current position)</p> <p>                    Corporate Auditor of SPARX Asset Management Co., Ltd. (current position)</p> <p>Dec. 2022      Outside Corporate Auditor of, CMIC HOLDINGS Co., Ltd. (current position)</p> <p>Jan. 2023      Senior Counsel, Mori Hamada &amp; Matsumoto</p> <p>Jul. 2023      Outside Director of The Prudential Life Insurance Company, Ltd. (current position)</p> <p>Jan. 2024      Special Counsel of GAIEN PARTNERS (current position)</p>	-

Reasons for nomination as candidate for outside Director who is an Audit and Supervisory Committee Member and overview of expected roles

Ms. Hakoda has a broad range of insight in various industries based on her specialized knowledge and extensive experience as an attorney. 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, knowledge and experience to provide useful advice and recommendations to the Company from the perspectives of promoting sustainable growth and enhancing corporate value over the medium to long term. Although she has never been involved in corporate management except as outside officer of other companies or representative partner of a legal professional corporation, 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 3 and 4 be approved as proposed” on page 13 for the knowledge and experience that the Company particularly expects in its selection of the candidate.

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
4	<b>Asako Saito</b> (January 21, 1968)  New appointment Outside	<p>Apr. 1990      Joined Mercedes-Benz Japan Co., Ltd.</p> <p>Sep. 1997      Joined Boston Consulting Group</p> <p>Mar. 2000      Joined LOUIS VUITTON JAPAN</p> <p>Jun. 2002      Transferred to CELUX Company Appointed as COO</p> <p>Oct. 2008      Founded DRAMATIC Co, Ltd. President and Representative Director</p> <p>May 2014      Founded tentofour Co, Ltd. President and Representative Director</p> <p>Jun. 2015      Outside Director of Yaoko Co., Ltd. (current position)</p> <p>Aug. 2015      Director of Cogito Education And Management</p> <p>Jun. 2018      Outside Director of WATABE WEDDING CORPORATION</p> <p>Mar. 2019      Outside Director of MITSUBISHI PENCIL COMPANY, LIMITED (current position)</p> <p>May 2020      Outside Director of SANYO SHOKAI LTD.</p> <p>Nov. 2020      Outside Director of Circulation Co., Ltd.. (current position) President and Representative Director of BLOOM Co., Ltd. (current position)</p>	--

Reasons for nomination as candidate for outside Director who is an Audit and Supervisory Committee Member and overview of expected roles

Ms. Saito has a broad range of insight based on her extensive experience regarding marketing and branding, primarily of luxury brands, as well as knowledge of sustainability, and extensive 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 perspectives 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 3 and 4 be approved as proposed" on page 13 for the knowledge and experience that the Company particularly expects in its selection of the candidate.

- (Notes)
- There are no special interests between the candidates and the Company.
  - Mr. Toshihiko Nakagawa, Mr. Kimikazu Noumi, Ms. Eiko Hakoda, and Ms. Asako Saito are candidates for outside Director.
  - The terms of office of Mr. Toshihiko Nakagawa and Mr. Kimikazu Noumi exclude five years and three years, respectively, when they served as an outside Director prior to the Company's transition to a company with Audit and Supervisory Committee.
  - Pursuant to the provision of Article 427, paragraph (1) of the Companies Act, the Company has entered into agreements with Mr. Toshihiko Nakagawa, Mr. Kimikazu Noumi, and Ms. Eiko Hakoda limiting their liability under Article 423, paragraph (1) of the Companies Act. The maximum amount of the liability under such agreements is prescribed to be the minimum amount of the liability provided for in laws and regulations. If the election of each candidate is approved as proposed, the Company will continue such agreements with Mr. Toshihiko Nakagawa, Mr. Kimikazu Noumi, and Ms. Eiko Hakoda, and will enter into a similar agreement with Ms. Asako Saito on the same terms and conditions.
  - 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 27 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 during their terms of office.
  - If the election of Mr. Toshihiko Nakagawa and Mr. Kimikazu Noumi is approved as proposed, the Company will maintain its notification to the Tokyo Stock Exchange of their designation as independent officers under the regulations of the said exchange. In addition, if the election of Ms. Eiko Hakoda and Ms. Asako Saito is approved as proposed, the Company will submit a new notification to the Tokyo Stock Exchange of their designation as independent officers under the regulations of the said exchange.
  - Mr. Toshihiko Nakagawa will assume the position as chairperson of the Board of Directors to be held after the Ordinary General Meeting of Shareholders.
  - Current Outside Director and Audit and Supervisory Committee Member, Mr. Kazuyoshi Kimura, will retire from his position due to the expiration of his term of office at the conclusion of this Ordinary General Meeting of Shareholders. Furthermore, the term of Ms. Kimie Morishita, another Outside Director and Audit and Supervisory Committee Member,

will continue through the conclusion of the 36th Ordinary General Meeting of Shareholders, which is scheduled to be held in 2025.

9. "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, 2024.

(Reference) Skills matrix for Directors after the General Meeting of Shareholders should Proposals 3 and 4 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 Group 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	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	President & Representative Director Group CEO Group CIO	69	35 years	○		○	○			
Toshihiko Nakagawa	Outside Director Audit and Supervisory Committee Member	72	9 years *2.	○		○		○		
Kimikazu Noumi	Outside Director Audit and Supervisory Committee Member	78	7 years *2.	○	○				○	
Eiko Hakoda	Outside Director Audit and Supervisory Committee Member	66	2 years	○				○		○
Kimie Morishita	Outside Director Audit and Supervisory Committee Member	56	1 year	○			○	○		
Asako Saito	Outside Director Audit and Supervisory Committee Member	56	0 years	○		○		○		

\*1. Age as of March 31, 2024.

\*2. The terms of office of Mr. Toshihiko Nakagawa and Mr. Kimikazu Noumi include five years and three years, respectively, when they served as an outside Director prior to the Company’s transition to a company with Audit and Supervisory Committee.