FY2025

Full Year Earnings Presentation (Apr.2025 – Mar.2026)

SPARX Group Co., Ltd.

May 7, 2026

Securities code: 8739

Company Profile

We provide investment management services based on a bottom-up approach for mainly domestic and overseas investors. Pursuing unchanging value that is not constrained by the times and conventional wisdom since our inception through a consistent innovative investment methods based on a thorough bottom-up approach that follows the unique investment philosophy.

Corporate Profile

Company name	SPARX Group Co., Ltd.
Address	1-2-70 Konan, Minato-ku, Tokyo, Japan
Founded	July 1, 1989
Capitalization	JPY 8,587 million (as of March 31, 2026)
Exchange:	Tokyo Stock Exchange Prime Market (Securities code: 8739)
Employees	187(as of Mar. 31, 2026)
Description of Businesses	■ Investment Management ■ Investment Advisory and Agency ■ Type I Financial Instruments & Type II Financial Instruments

President and Group CEO

Shuhei Abe

Born in Sapporo in 1954. After graduating from the Faculty of Economics at Sophia University, he received his MBA from Babson College. He has also completed the AMP at Harvard Business School. After graduating Babson College and returning to Japan, hired by Nomura Research Institute, Ltd. He worked as a corporate research analyst evaluating individual companies listed on Japanese stock markets and engaged in Japanese equity sales. He then established Abe Capital Research and engaged in Japanese equity investment management and advisory services for European and U.S. funds. He founded in 1989 as SPARX Asset Management Co., Ltd. (now SPARX Group Co., Ltd.). He had also appointed a member of the Japanese government's Energy and Environmental Council etc.

SPARX's Investment Philosophy

Macro is the aggregate of the Micro

Selection of individual stocks through micro (visiting individual company) research by experienced analysts. Other several analysts then discuss the value gap and pursue the actual value of the company

※ Reference Information (our website) https://www.sparxgroup.com/growth/

Corporate Philosophy

Purpose To make the world wealthier, healthier, and happier

Vision To be the most trusted and respected investment company in the world

Mission Bring ever-better investments to the world

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01.

FY2025 Highlights

FY2025 Highlights

Overview for financial results

Operating Revenue	Operating profit	Profit attributable to owners of parent	ROE	Ordinary dividend payout ratio (Base earnings)
19,578 million	9,025 million	6,384 million	17.6%	51.1 %
(increase by 9.0%)	(increase by17.0%)	(increase by 21.6%)	(increase by 1.4 Point)	(increase by 9.6 Point)

Major Business Topics

Japanese Equity

・Entrusted with approximately JPY50 billion in additional assets from a European public pension fund.

・Received the First Prize and the Second Prizes at the "R&I Fund Award 2026

Real Assets

・ Established SPARX Energy Storage Plant Fund

・Japan's First Region-Specific Public-Private Partnership GX Fund, SPARX Sapporo-Hokkaido GX Fund

OneAsia

・Mizuho, Asset Management One, and SPARX Asset Management to collaborate on asset management business

・Toyota Tsusho Corporation and Mizuho Bank, Ltd. Invested in India Equity Fund managed by SPARX

Private Equity

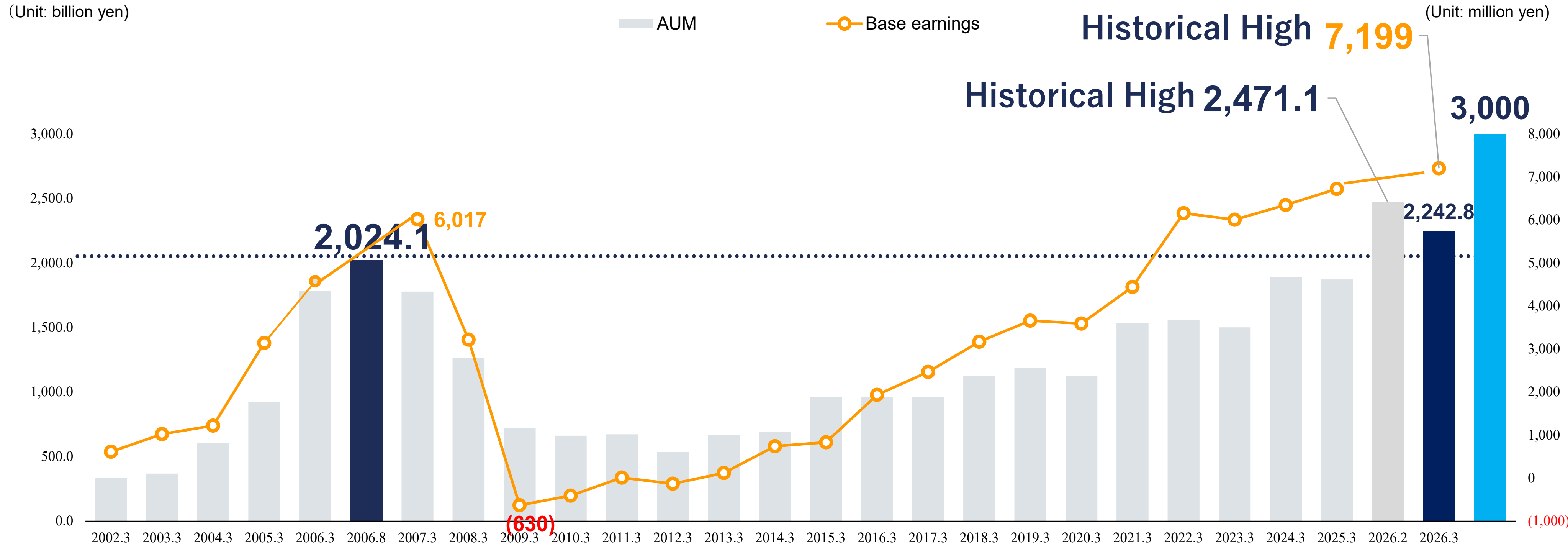
・Established "Japan Monozukuri Mirai Fund II"

・Established "the Mirai Creation Fund IV"

AUM and Base Earnings have reached a Record High

At the end of February 2026, AUM reached the highest level since the company's founding, totaling 2,471.1 billion yen and AUM of 3 trillion yen is now in sight. Moreover, since the collapse of Lehman Brothers, AUM has expanded continuously, and the company recorded its highest-ever Base Earnings at the end of March 2026.

Trends in AUM and Base Earnings



02.

Effort towards Medium- to Long-Term Growth

Looking Beyond the Achievement of 3 Trillion Yen in AUM

To realize our vision of becoming "the most trusted and respected investment company in the world," we will not only work toward achieving our immediate goal of 3 trillion yen in AUM, but also also look beyond that as we pursue medium- to long-term business growth.

Basic Policy

Building on our consistently applied investment philosophy and truly unique, high-quality investment capabilities, we will further strengthen our business foundation that combines stability and profitability. At the same time, through proactive growth investments that allow us to venture into new high-potential fields and by further improving capital efficiency, we aim to rapidly increase corporate value.

Three Key Initiatives

1 Growth in Four Pillars

- 4 pillars are facing attractive business environment.
- For each of the 4 pillars, we have clearly identified key points for strengthening our marketing and investment capabilities.

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2 Active Growth Investments

- We aim to pursue emerging high-potential areas and further improve capital efficiency through investments in new businesses and proprietary investments.

×

3 Further Enhancing Profitability

- In addition to listed equities and real assets, performance fees were also recorded from private equity, creating a more diversified (multi-layered) structure for performance-fee drivers.

1 Growth in Four Pillars(1)

Each of the four pillars is facing an attractive business environment and by actively seizing these opportunities and pursuing growth, we aim to contribute to the overall growth of SPARX

Japanese Equities

Positive prospects for Japanese Equities

Nikkei 225	Number of NISA Accounts
Exceeded 60,000 yen	More than five times※

- Progress in the Corporate Governance Code
- Shift from Deflation to Inflation

(Source) Financial Services Agency, "Publication of Survey Results on the Use of NISA Accounts" (Compared with January 2014, based on Appendix 3)

OneAsia

Market expansion driven by Economic Growth

Global Population Composition	Number of Listed Companies Worldwide
Approximately 53%※	Approximately 52%※※

- Interest in Korean Equities, Primarily from the U.S. and Asia
- Growth Potential of the Asian Region

(Source) Prepared by SPARX Asset Management based on data from the International Monetary Fund (IMF), the United Nations, and various other materials

SPARX

Consistent Investment Philosophy

Real Assets

Continued Expansion of the Importance of Renewable Energy

Share of Renewable Energy in the Power Generation Mix in FY2040

40% – 50%※

- Rising Energy Demand and Qualitative Transformation
- Hokkaido's Potential

(Source) Agency for Natural Resources and Energy, Overview of the 7th Strategic Energy Plan

Private Equities

Expansion of New Investment Opportunities

Amount of Investment in Startups	Unicorn
10 trillion yen	100 companies※

- Government Plan to Increase Venture Capital Investments Tenfold
- Expectations for Buyout Funds

(Source) Cabinet Office, Startup Development Five-Year Plan

1 Growth in Four Pillars(2)

Contributing to the overall growth of SPARX by clearly identifying the key areas for strengthening our marketing and investment capabilities in each of the 4 pillars

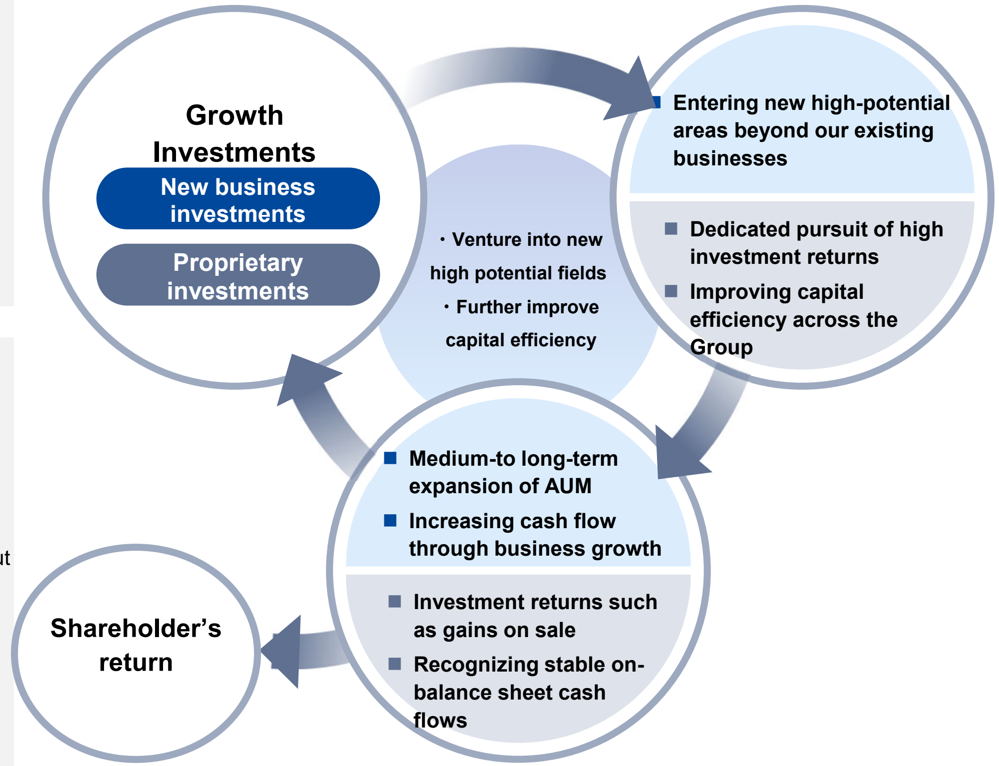
Pillars	Marketing Initiatives	Strengthening Investment (Development) Capabilities
Japanese Equities	■ Strengthening marketing efforts toward new overseas institutional investors—mainly in Europe and Asia—who are considering investments in Japanese equities. ■ Proposing new products that meet domestic financial institutions' needs for stable and long-term earnings.	■ Delivering consistent performance through talent development and strengthening the next generation of professionals. ■ New initiatives such as appointing younger fund managers and launching pilot funds led by analysts. **Strengthening collaboration in research among Japan, Pan-Asia, and Korea.**
OneAsia	■ **Pan-Asia**: Collaborating with the Mizuho Financial Group and Asset Management One, with a focus on the growing Indian market. ■ **Korean equities**: Backed by our outstanding investment performance, we focus on meeting demand for niche market opportunities in the U.S.	■ Building a stable investment management system through expanded talent resources.
Real Assets	■ Driving growth by raising additional capital for newly established funds. ・SPARX Sapporo-Hokkaido GX Fund ・SPARX Energy Storage Plant Fund ■ Research and development of funds ahead of changes in energy policy	■ Developing and executing investment in new areas such as data centers and medium-scale wind power generation. ■ Leveraging the expertise gained from many years of development and investment experience in the renewable energy sector, we will further advance development in our core area of solar power generation.
Private Equities	■ **VC**：Additional capital raising for the Mirai Creation Fund IV. ■ **BO**：Additional capital raising for the Japan Monozukuri Mirai Fund II.	■ **VC**：Specializing in technical evaluation within each investment areas and strengthening the value-up activities and enhancing efforts toward exits ■ **BO**：Strengthening the value-creation framework and capabilities for portfolio companies, which form the fundamentals of our investment approach.

2 Active Growth Investments

By making measured updates to our financial policy and establishing two separate frameworks—a ‘New Business Investment’ that goes beyond our existing business domains and a ‘Proprietary Investment’ dedicated purely to pursuing high investment returns—we aim to venture into new high-potential fields and further enhance capital efficiency.

New business investments **Approximately 4 billion yen**	■ A new business investment framework that goes beyond our existing business domains, including the launch of a pilot fund shaped from investment ideas proposed by younger analysts and small-scale starts of business ideas generated by younger employees ■ The premise is that these investment or business ideas must be innovative and highly profitable, with the potential to be offered to investors as part of our future product lineup. ■ Gaining experiences in launching funds and businesses from the initial stages also contributes to talent development
Proprietary investments **Approximately 4 billion yen**	■ A proprietary investment framework that leverages our research capabilities, engagement skills, and other strengths to pursue high investment returns in a focused manner ■ The main target investments are expected to be smaller deals with low EV/EBITDA multiples—opportunities that are often difficult for other investment funds to pursue. ■ Investments will be made in companies that contribute to improving our capital efficiency by generating stable and continuous cash flows, without necessarily assuming an exit. ■ Specifically, our targets will be companies with capital efficiency exceeding our own ROE, and we will not force investment execution if appropriate opportunities are not found. ■ Having young employees who were involved in the investment process also participate in portfolio-company management will further support talent development.

Conceptual Image of the Growth Cycle

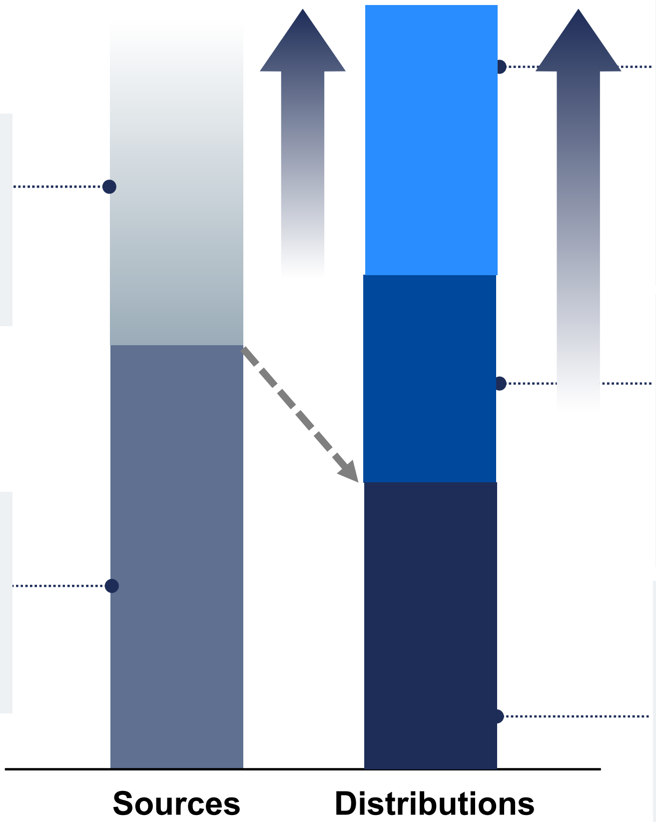


2 <Reference>Near-term Capital Allocation Plan (FY2026～FY2028)

Given that the share of investment strategies less affected by market fluctuations—such as renewable energy and private equity—has increased, resulting in a more stable business portfolio; that our financial position remains solid; and that our base earnings continue to grow, we will lower the cash and deposit levels that we have maintained conservatively until now.
Furthermore, by increasing future operating cash flows through new business investments, we aim to further expand growth investments and enhance shareholder returns.

Operating cash flow approximately 17.7+α billion yen
(3 years of actual results x 3 years, after tax) ※

Cash and deposits as of March 31, 2026
19.5 billion yen
(with rising interest rates, we plan to reduce borrowings by 2 billion yen by the end of September 2026.



Shareholder returns (excluding share buyback) approximately 15.0 billion yen (most recent shareholder returns 94 JPY per share x 3 years)

- Provide shareholder returns based on growth in Base earnings while paying attention to stability and continuity from a medium-to long-term perspective By increasing operating cash flow, we aim to further enhance shareholder returns.
- While temporary gains such as performance fees or extraordinary income are returned to shareholders through share buybacks, they are not counted as funding sources and therefore are not included as distributions

In addition to seed investments for existing businesses, new business investments and proprietary investments approximately 17.0 billion yen
(Assuming around 7 billion yen in seed investment recoveries; net amount approximately 10 billion yen)

- Start new business investments aimed at medium- to long-term expansion of the Four Pillars and new initiatives
- Start proprietary investments that purely seek investment returns
- Seed investments to strengthen the existing Four Pillars

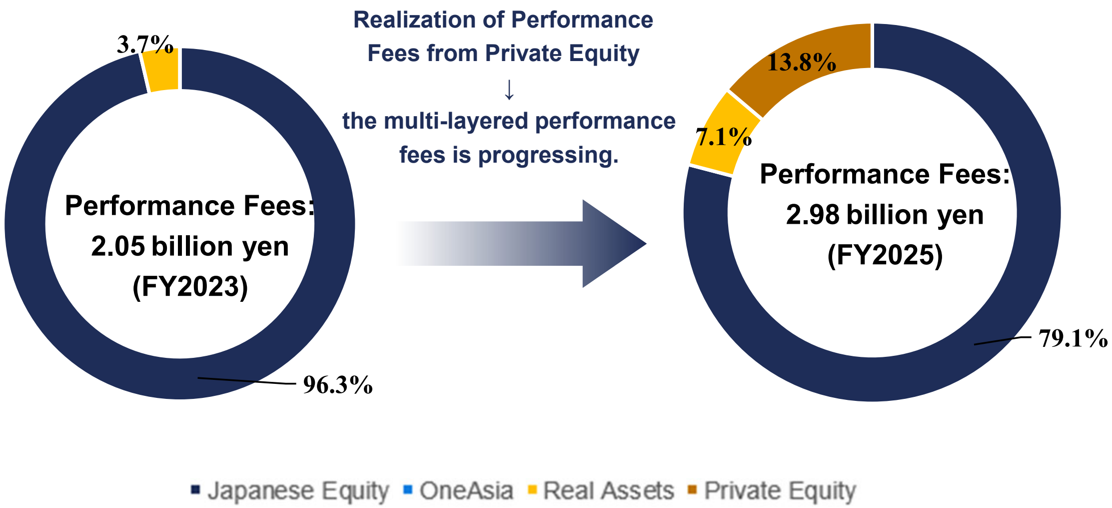
2 years worth of ordinary expenses approximately 13.0 billion yen +α

- The industry the Company belongs to is significantly influenced by economic and market conditions. Thus we have set conservative targets and manage them. We will reduce cash holdings from about 3 years of ordinary expenses to about 2 years.
- Strengthen investment in professionals in order to strengthen to build a framework for the development and support of our professionals.
- Strengthening IT Investments, Including the Use of Generative AI and Enhancements to Cybersecurity Measures. Enhance both strategic and protective IT investments.

※Our business results are significantly affected by economic conditions and the market environment, we do not disclose future earnings forecasts. Calculated based on past results.

Performance fees have been generated primarily from Japanese equities and real assets.
Within the private equity investment strategy, several funds are entering their investment-return phases, and by steadily executing exits, we expect to record performance fees.

Changes in the Composition of Performance Fees



	Contracts scheduled to expire	Phase	Performance Fees (FY2024)	Performance Fees (FY2025)			Performance Fees (FY2024)
Mirai Creation Fund I	2026.11	Return	Approx 0.8 billion yen	Approx 0.4 Billion yen	Execute exits appropriately to secure further performance fees		
Mirai Creation Fund II	2028.7	Return	-	-	Manage exits appropriately to generate investment returns by the redemption period and aim to realize additional performance fees		
Space Frontier Fund I	2030.5	Return	-	-			
Japan Monozukuri Mirai Fund	2030.12	Return	-	-			
Mirai Creation Fund III	2031.10	Investment	-	-			
Space Frontier Fund II	2034.3	Investment	-	-			

Improvement in management fee revenue due to AUM growth

Private equity funds typically run for 10 years and maintain fixed AUM during the investment period, providing stability. Because they require intensive management, such as deal execution and value creation, their fee rates are generally higher than those for listed equities. As private equity AUM grows, it not only diversifies performance-fee sources but also raises overall management fee rates.

3 Further Enhancing Profitability : Impact of Newly Established Funds

The impact of newly launched funds on operating revenue is calculated using fee rates commonly seen in the industry.
Specifically, operating revenue will be boosted by approximately 2.9 to 3.3 billion yen per year over the long term.

	AUM (Target)	Standard Fee Rate※	Estimated Annual Management Fees	Fund Term	Performance Fees
SPARX Sapporo-Hokkaido GX Fund	**10 billion yen**	100～150bps	100–150 million yen	10 year (original term)	Yes (see page 55 for details)
SPARX Energy Storage Plant Fund	**10 billion yen**	100～150bps	100–150 million yen	10 year (original term)	Yes (see page 55 for details)
Japan Monozukuri Mirai Fund II	**50 billion yen**	180～200bps	900–1,000 million yen	10 year (original term)	Yes (see page 56 for details)
Mirai Creation Fund IV	**100 billion yen**	180～200bps	1,800–2,000 million yen	10 year (original term)	Yes (see page 56 for details)
Total	**170 billion yen**	-	**2,900–3,300 million yen**	-	-

※The fee rates shown are based on general industry standards, not on the specific fee rates of the fund.

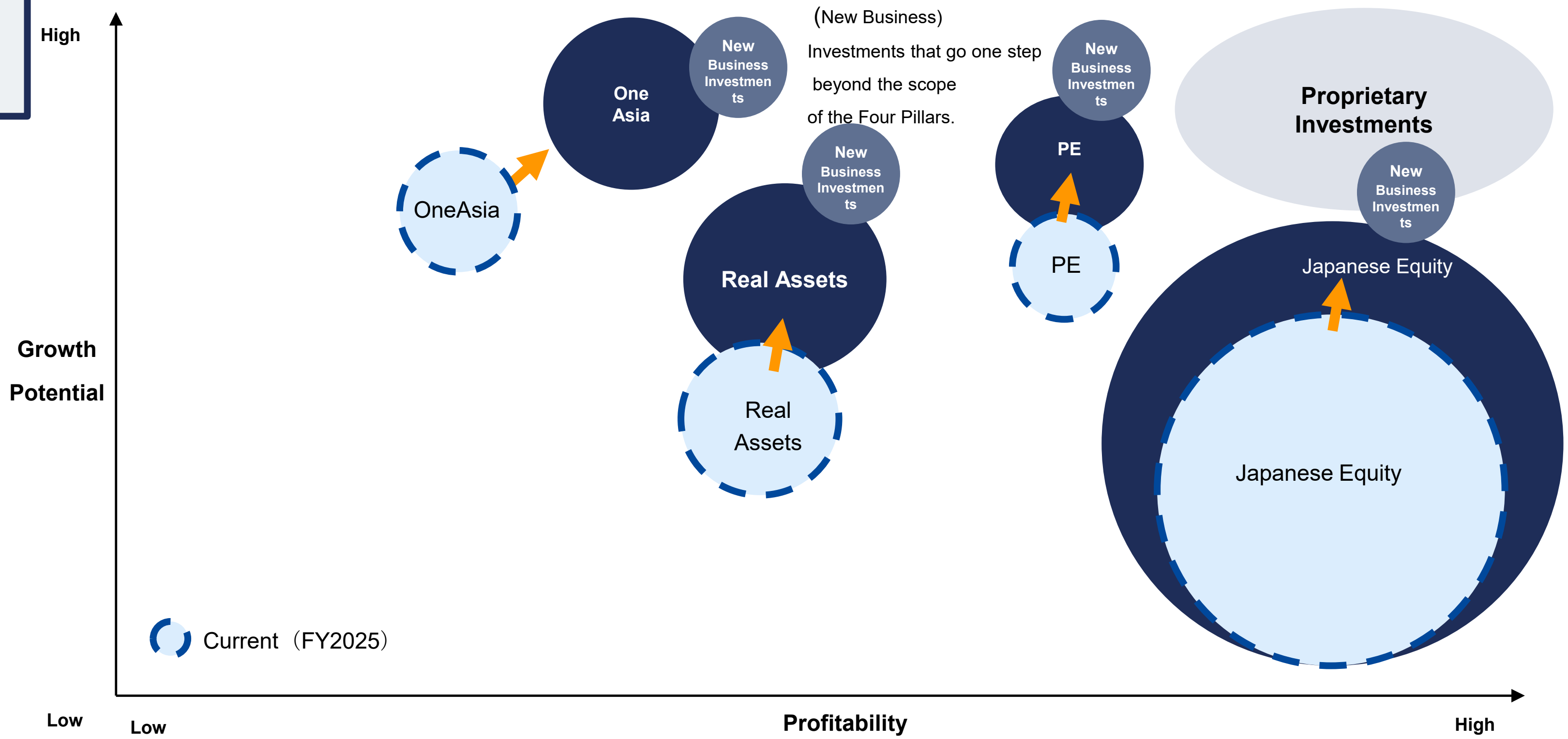
Reference: Image of Business Portfolio

To steadily expand the four pillars while improving profitability and pursuing medium- to long-term growth, we allocate growth investments to "new business investments" as upfront strategic investments and to "proprietary investments" aimed at generating pure investment returns. Through these efforts, we aim to further improve ROE.

Looking Beyond the Achievement of 3 Trillion Yen in AUM

AUM (billion yen)（2026.3）	
Japanese Equity	1,519.0
OneAsia	239.5
Real Assets	326.1
PE	158.0
Total	2,242.8

About Current Business Portfolio



※Note : the size of pie chart shows the image of balance in AUM

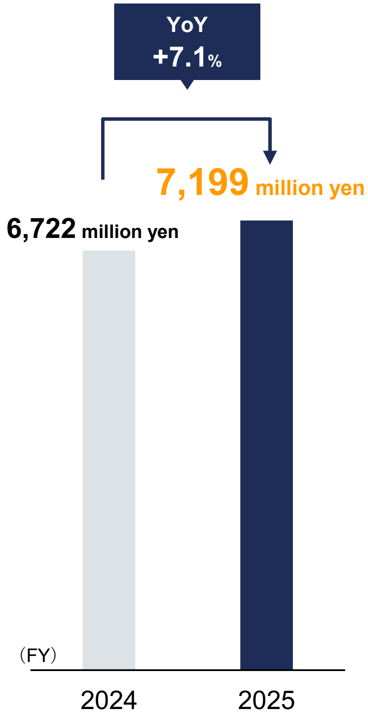
03.

Financial Results for FY2025

FY2025 Status of key management indicators

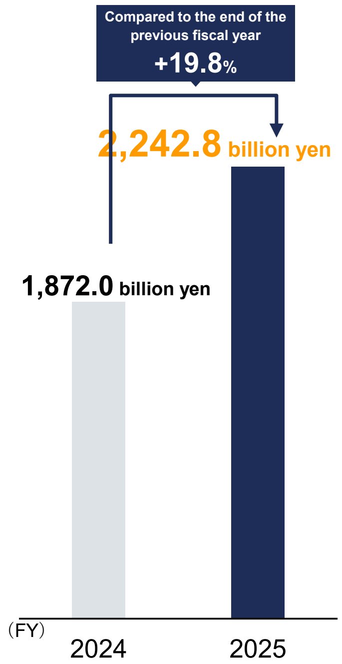
Historical High

Base Earnings



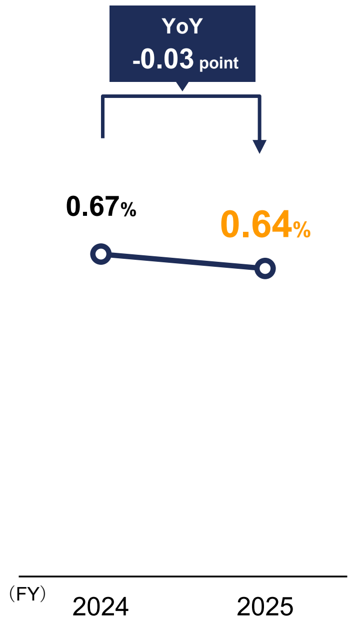
Increased by 7.1%, driven by steady AUM growth despite a 1.6% rise in recurring expenses, reaching **a new all-time high**.

Assets Under Management



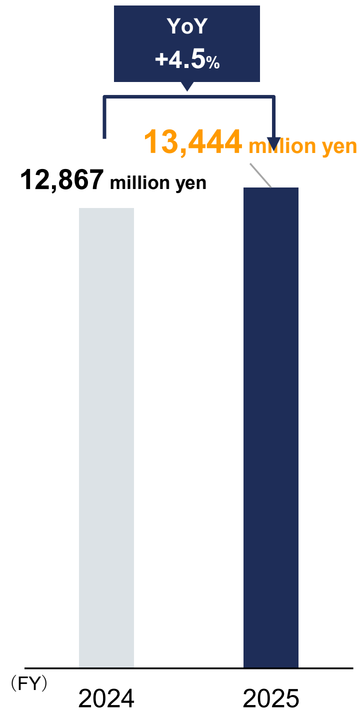
Increased by 19.8% mainly in Japanese equities and OneAsia. In February 2026, AUM reached 2,471.1 billion yen, **marking a record high**.

Management fee rate (after deducting commissions)



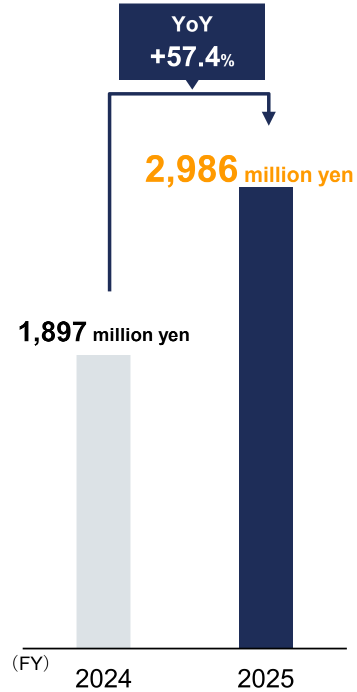
Decreased by 3bp mainly due to a decrease in AUM of private equity with higher fee rate.

Management fees (after deducting commissions)



Although the market decline in Q1 led to lower investment trust management fees, AUM showed steady growth from Q2 onward. As a results, management fees rose by 4.5% year-on-year.

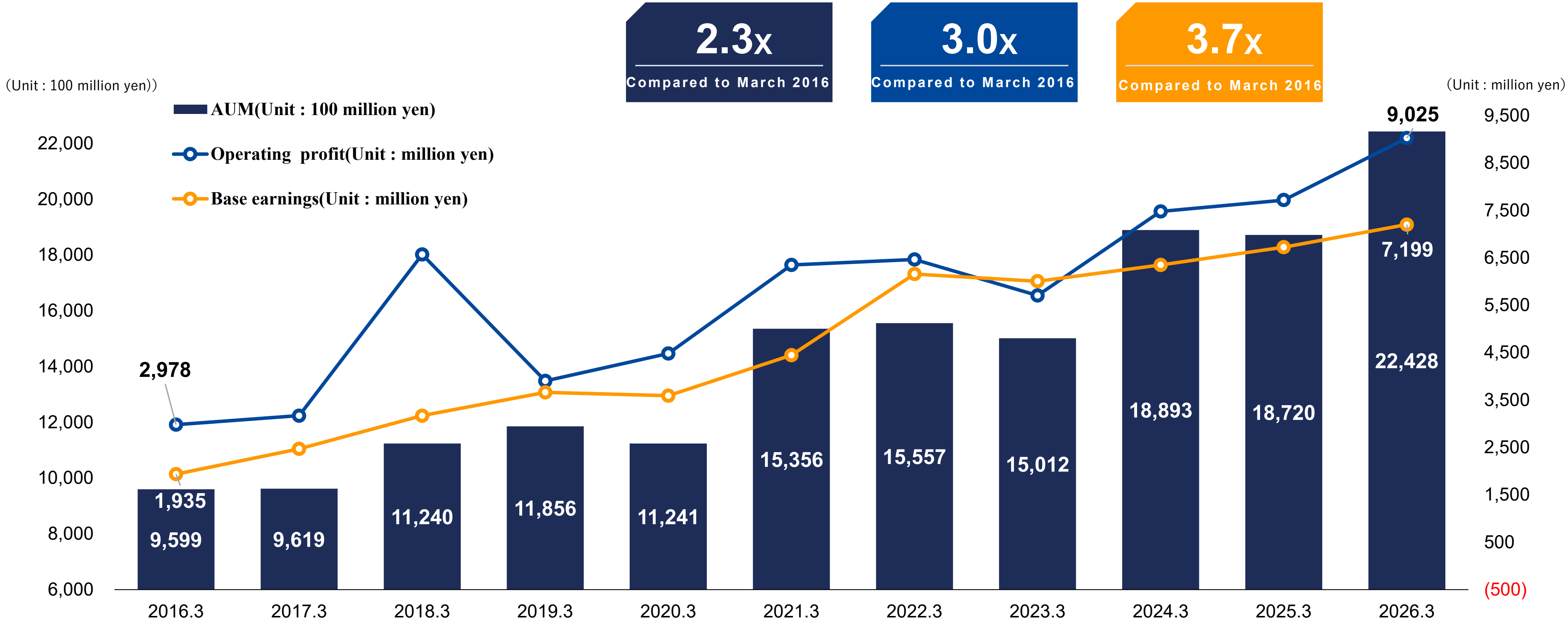
Performance fees



Increased by 57.4%, supported by a favorable market environment. Approximately 400 million yen in performance fees was recorded not only in Japanese equity and real assets, but also in private equity.

Achieving significant growth over past 10 years

Trends in AUM, Operating profit, Base earnings

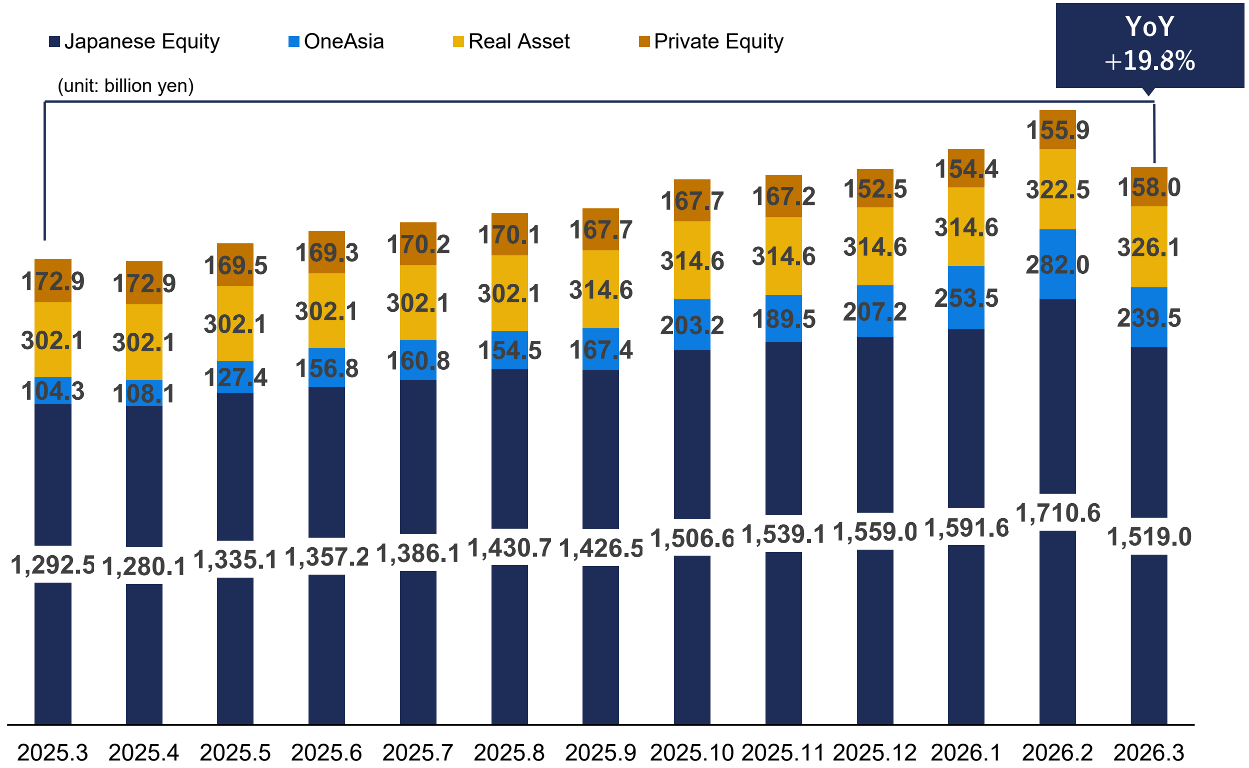


Note: Base Earnings = Management fees − Commissions paid − Ordinary expenses. Please refer to the Appendix for details.

FY2025 Trends in AUM

AUM increased by 19.8% year-on-year, driven in part by the stock market. Average AUM rose 11.7% year-on-year.

monthly AUM trends



Average AUM

(unit: billion yen)

	FY2024	FY2025	Rate of change
Average AUM（for twelve months）※	1,912.2	2,136.4	+11.7%

※AUM (for 12 months) ＝FY 2025(Apr. 2025 to Mar. 2026) Total AUM ÷ 12 months

(Reference) Various Market Indexes

	Year-ended March 31, 2025	Year-ended March 31, 2026	Rate of change
Nikkei 225	35,617	51,063	+43.4%
TOPIX	2,658	3,497	+31.6%
KOSPI Index	2,481	5,052	+103.6%
KOSDAQ Index	672	1,052	+56.4%
HK Hang Seng Index	23,119	24,788	+7.2%

FY2025 Consolidated Financial Highlights

Operating revenue increased by 9.0%. Operating profit rose by 17.0%, mainly due to a significant increase in performance fees. Profit attributable to owners of parent increased by 21.6%.

(Unit: million yen)	FY2024	FY2025	YoY change
Operating Revenue	17,961	**19,578**	+1,617 (+9.0%)
Operating and general administrative expenses	10,244	**10,552**	+308 (+3.0%)
Operating profit	7,717	**9,025**	+1,308 (+17.0%)
Ordinary profit	7,778	**8,909**	+1,131 (+14.5%)
Profit attributable to owners of parent	5,252	**6,384**	+1,132 (+21.6%)
ROE	16.2%	**17.6%**	+1.4pt

Management fees (before deducting commissions paid) increased by 609 million yen to 16.467 billion yen.

Mainly due to an increase in performance fees.

Profit attributable to owners of parent have significantly increased due to the realization of extraordinary gain of 775 million yen from the sales of our investment holdings.

ROE is 17.6%.

FY2025 Consolidated Balance Sheet

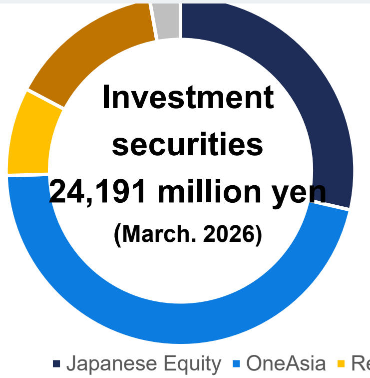
The industry the Company belongs to is significantly influenced by economic and market conditions. Thus, the balance is kept as few years' worth of ordinary expenses level which calculated by "cash and cash equivalent" plus highly liquidity such as "investment securities." (note1) While maintaining the current equity ratio, we will execute growth investments.

(Unit: million yen)	FY2024 (March 31, 2025)	FY2025 (March. 31, 2026)	Change
Current assets	26,631	30,389	+3,757
Cash and cash equivalent	21,385	19,527	(1,857)
Non-current assets	23,307	27,211	＋3,903
Investment securities	19,468	24,191	+4,722
Total assets	**49,939**	**57,600**	+7,661
Current liabilities	7,988	13,789	+5,800
Non-current liabilities	8,443	4,607	(3,836)
Net assets	33,507	39,204	+5,696
Total liabilities and net assets	**49,939**	**57,600**	+7,661
Equity ratio	**67.1%**	**68.1%**	+1.0pt

Decreased mainly due to the payment of dividend, new seed investments, bonuses, and income taxes.

Increased mainly due to market value and new seed investments

The change was mainly due to reclassification of 5 billion yen in long-term borrowings to short-term borrowings as the repayment period became less than one year.
With the recent rise in interest rates, we will plan to reduce borrowing by 2 billion yen at the end of September 2026..



Unrealized gain (note2)
6,230 million yen

(Note1) High liquidity investment securities are mainly consist of Japanese equity and OneAsia.

(Note2) Recognize the difference between the book value and the market value of marketable investment securities.

FY2025 Consolidated Statements of Cash Flows

We aim to expand our business further by planting the seeds that will be sources of future cash through seed investment to existing investment strategies and active investments in new business areas.

（Unit: million yen）

	FY2024 (April 1, 2024 – March 31, 2025)	FY2025 (April 1, 2025 – March 31, 2026)	YoY change
Cash flows from operating activities	5,063	5,901	+838
Cash flows from investing activities	(2,124)	(3,880)	(1,756)
Cash flow	2,939	2,020	(919)
Cash flows from financing activities	(3,391)	(4,018)	(626)
Cash and cash equivalents at end of period	21,385	19,527	(1,857)

Mainly due to the following
・ Profit before income taxes 9,581 million yen
・ Income tax paid 2,744 million yen
・ Increase in real estate for sale in process: 1.896 million yen

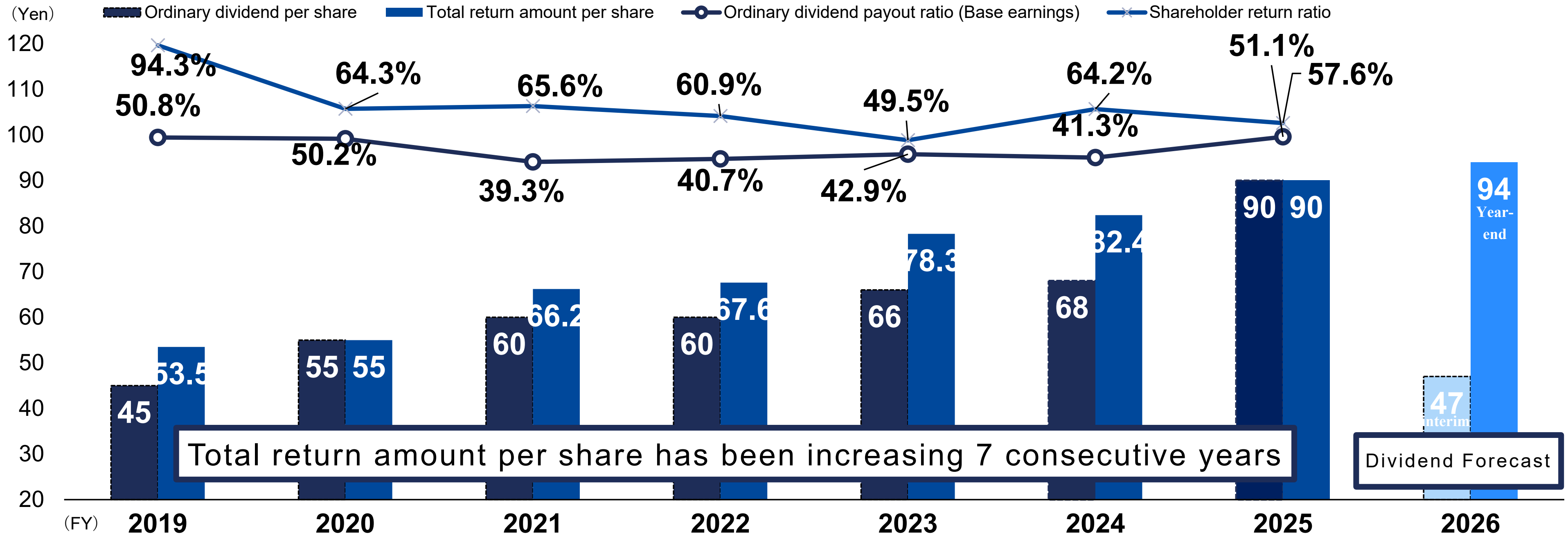
Mainly due to the following
・ Expenditures for the acquisition of investment securities 4,237 million yen
・ Payments of deposits paid 2,712 million yen*
・ Proceeds from sales and redemption of investment securities 3,138 million yen
・ Expenditures of 194 million yen for the acquisition of property, plant and equipment

（*） Seed investment outlay for the fund established on April 1, 2026. As of April 1, 2026, the amount was reclassified from deposits to investment securities on the consolidated balance sheet.

Returns to Shareholders (Dividends and Total Return Amount)

Based on an increase in base earnings and stable financial conditions, which are one of the most important management indicators, a year-end expected ordinary dividend to be 90.0 yen per share which is an increase of 22.00 yen from the previous fiscal year's ordinary dividend. The ordinary dividend payout ratio (based on Base Earnings) was 51.1%, and the total return ratio was 57.6%.
Starting from the FY2026 full-year earnings announcement, the Company decided to disclose dividend forecasts and introduce an interim dividend. For FY2027, the Company forecasts an interim dividend of 47 yen and a year-end dividend of 47 yen, for a total of 94 yen.

Trends in Cash Dividends



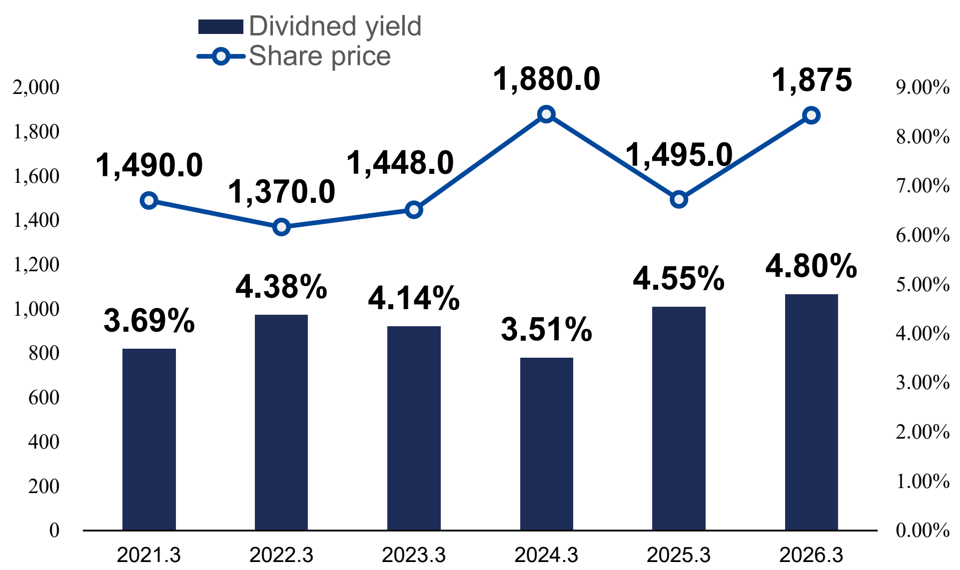
(Note 1) Dividend will be officially decided and implemented upon the resolution of the 37th Ordinary General Meeting of Shareholders to be held in June 2026.
(Note 2) Ordinary dividend payout ratio (Base earnings) = Total amount of ordinary dividends ÷ Base earnings
(Note 3) October 1, 2022, we have performed a reverse stock split (merging 5 common stock into 1 share). Figures prior to end of the previous fiscal years has been revised to take into account on the impact of the reverse stock split.

Returns to Shareholders (Dividends and Shareholder Benefits Program)

Consistently high dividend yields.
Furthermore, beginning at the end of March 2026, the shareholder benefits program will enhance total shareholder returns, improve stock liquidity, and reinforce shareholder communication.

Dividend yield

March 2026 4.80%



（Note）Dividend will be officially decided and implemented upon the resolution of the 37th Ordinary General Meeting of Shareholders to be held in June 2026.

＜New program＞Introduction of Shareholder Benefits Program

Starting in March 2026

Purpose

To reward shareholders and improve stock liquidity

By introducing a shareholder benefits program, we aim to boost the attractiveness of investing in our stock, and motivate more individuals to hold our shares – thereby enhancing stock liquidity and broadening our investor base.

Enhancing communication with shareholders and advancing digital transformation (DX) in shareholder management

We will actively use the shareholder database obtained through membership registration in the SPARX Group Premium Benefits Club to enhance dialogue with our shareholders.

Total Dividend Yield[*1]（2026年3月） 6.58% (at most)

(*1) Calculated by adding the 4.80% dividend yield for the fiscal year ended March 2026 and the 1.78% shareholder benefit point yield. The shareholder benefit point yield is calculated based on an assumed holding of 1,500 shares and converting 25,000 shareholder benefit points into 25,000 yen.

04.

Overview of Four Pillars

Focus on Alternative Investment Strategy

Compared with the end of March 2015, AUM grew 1.8x for traditional strategy, 6.0x for alternative strategy. Strengthening our alternative strategy to make it one of the pillars of our business.

AUM for alternative strategy

111.9 billion yen ▶ **675.5** billion yen

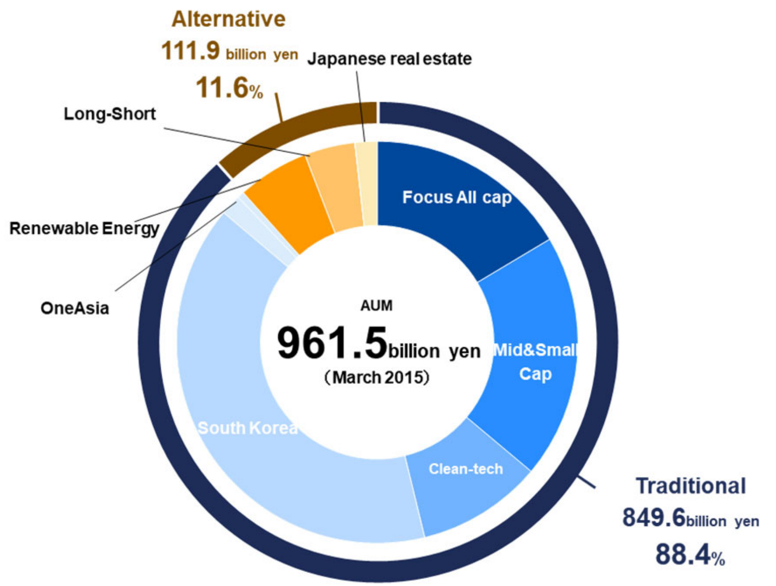
(March 2015) (March 2026)

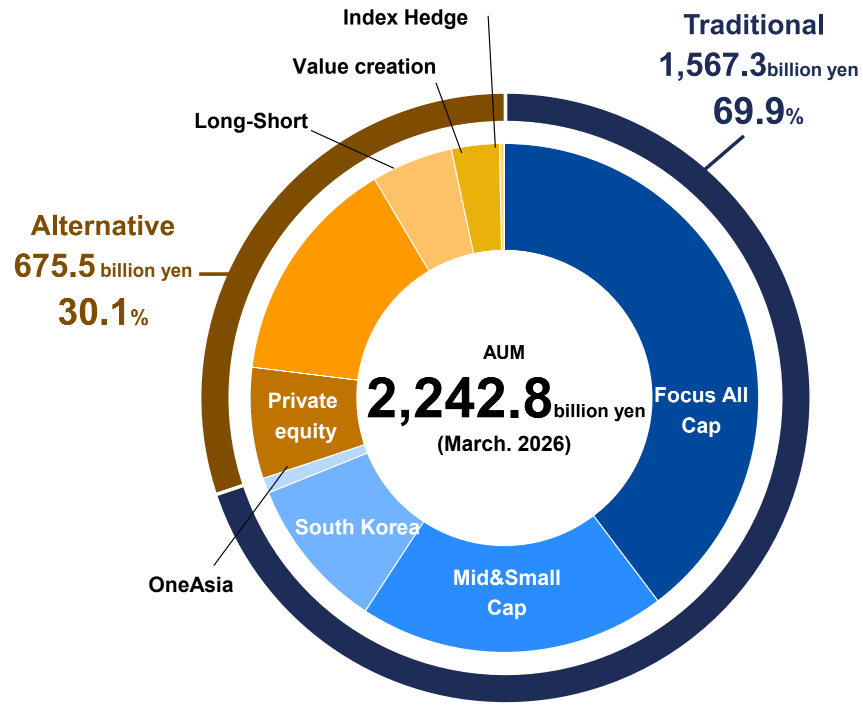
Composition for Alternative AUM

11.6% ▶ **30.1**%

(March 2015) (March 2026)

AUM breakdown (by strategy)

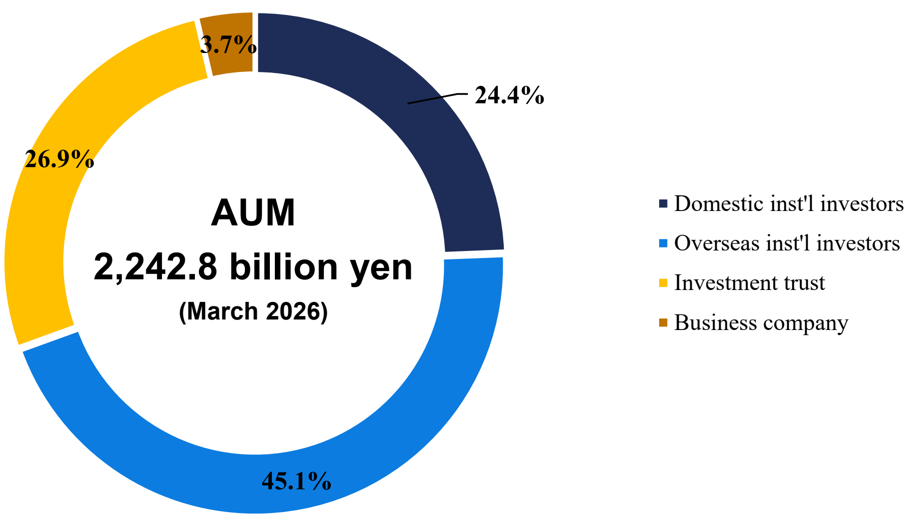




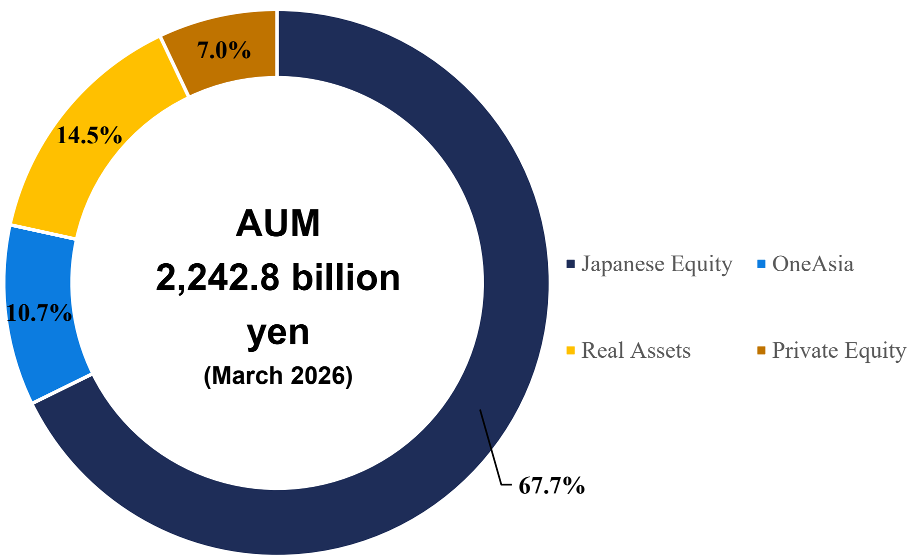
Diversified Investor base

Since our founding, we have built deep relationships—primarily with overseas institutional investors—as a gateway to Japanese equity investment. With the diversification of our investment strategies into OneAsia, real assets, and private equity, our client base has become broader and more substantial.

AUM composition (by investor)



AUM composition (by investment strategy)



※ AUM by investors for the private equity investment strategy is calculated by multiplying each fund's AUM by the proportion of each investors' commitment to that fund

※ In the real assets strategy, AUM from business companies is classified as domestic institutional investors

Recognition of investment capability ―SPARX received fund awards across different market-cap segments
large-cap, mid&small cap, and micro-cap

Received the First Prize and the Second Prizes at the “R&I Fund Award 2026”

SPARX has been named the winners in the following categories

R&I Fund Award 2026 The First Prize

Investment Trusts／Asia Equity Multi-country Fund category

The Frist Prize

SPARX Japan Asia Focus Strategy (“Japan-Asia Gensentoshi”)

https://ssl4.eir-parts.net/doc/8739/tdnet/2796659/00.pdf

R&I Fund Award 2026 Have won 9 Consecutive years

Investment Trusts 10-Year / Japanese equity Core Fund category

The Second Prize

SPARX New Global Blue Chip Japanese Equity Fund (“Gensentoshi”)

R&I Fund Award 2026

Investment Trusts 10-Year / Japanese Mid&Small Caps Equity Fund category

The Second Prizes

SPARX Premium Japanese Micro-cap Equity Fund (“Kachihakkutsu”)

SPARX M&S Japan Fund (“Hanasaku Chukogata”)

The R&I Fund Award is presented to provide reference information based on the past data R&I believes to be reliable (however, its accuracy and completeness are not guaranteed by R&I) and is not intended to recommend the purchase, sale or holding of particular products or guarantee their future performance. The Award is not the Credit Rating Business, but one of the Other Lines of Business (businesses excluding Credit Rating Business and also excluding the Ancillary Businesses) as set forth in Article 299, paragraph (1), item (xxviii) of the Cabinet Office Ordinance on Financial Instruments Business, etc. With respect to such business, relevant laws and regulations require measures to be implemented so that activities pertaining to such business would not unreasonably affect the Credit Rating Activities. Intellectual property rights including copyright and all other rights in this Award are the sole property of R&I, and any unauthorized copying, reproduction and so forth are prohibited.

Overview of Japanese Equity Investment Strategy

AUM rose by 17.5% supported by favorable stock market conditions.
AUM growth was led by focus all cap and mid & small cap strategies.

(Unit: 100 million yen)	AUM		
	March 31, 2025	March. 31, 2026	change
Long-Short Strategy	1,061	1,161	＋100 (＋9.4%)
Focus All Cap Strategy	8,040	8,899	＋858 (＋10.7%)
Mid & Small Cap Strategy	3,021	4,378	＋1,357 (＋44.9%)
Index Hedge Strategy*	90	68	-22 (-24.9%)
Value Creation Strategy	711	683	-27 (-3.9%)
Total	**12,925**	**15,190**	**＋2,265 (＋17.5%)**
Nikkei 225	**35,617**	**51,063**	**＋43.4%**
TOPIX	**2,658.73**	**3,497.86**	**＋31.6%**

*The name of investment strategy has changed to Index Hedge Strategy. This used to be disclosed as Market Neutral investment strategy.

Overview of AUM

<Full Year>

・Because of the strategies' characteristics, the Nikkei 225's strength—driven mainly by semiconductors and AI—had only a limited effect; however, AUM increased as mid & small cap strategies delivered strong performance.
・ Entrusted with approximately JPY 50 billion in additional assets from a European public pension fund for mid & small cap strategies
・FY2025 ：Launched 3 new funds

<Q4>

• FY2025 Q4: 1 new fund established
• R&I Fund Award 2026: Four funds received awards

Performance fees

・FY2025
2,361 million yen（increace by 201.5% YoY）

Overview of OneAsia Investment Strategy

Korean equities continues to deliver strong performance. Overall AUM increased by 129.6% year-on-year.
Strong interest in Korean equities from overseas institutional investors. Strengthened marketing efforts for the launch of new funds to promote AUM growth.

(Unit: 100 million yen)	AUM		
	March 31, 2025	March 31, 2026	change
South Korea	950	2,178	＋1,227 (＋129.1%)
Pan-Asia	92	217	＋124 (＋134.7%)
Total	**1,043**	**2,395**	**＋1,352 (＋129.6%)**
KOSPI Index	2,481	5,052	＋103.6%
KOSDAQ Index	672	1,052	＋56.4%
HK Hang Seng Index	23,119	24,788	+7.2%

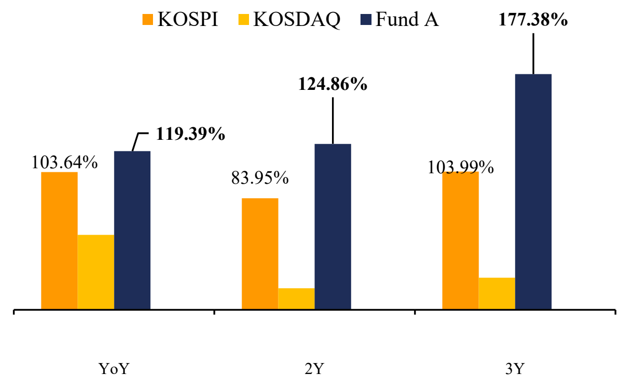
Overview of AUM

<Full Year>

・Continue to deliver strong performance

・FY2025 Q3：Launched 1 new fund

Fund performance for South Korea-domiciled funds※ (Up to Mar. 2026)



※Performance data of the fund ranked second in AUM. The fund with the highest AUM, it cannot be disclosed due to contractual agreements with clients.

Performance fees

・Not recognized

Overview of Real Asset Investment Strategy (1)

Promote investing in renewable power generation businesses, including solar power generation, at 348 locations※1 in Japan.
The battery-storage business, a new investment area, is steadily expanding. Two new funds were established in March 2026.

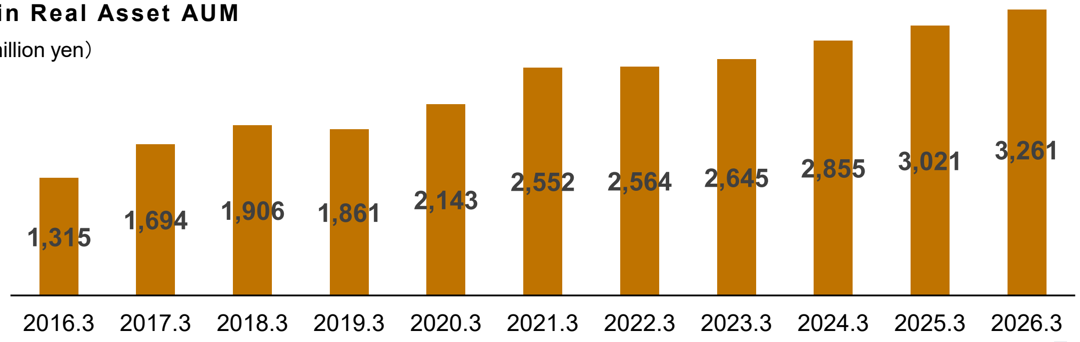
※1 as of March 2026

(Unit: 100 million yen)

	AUM		
	March 31, 2025	March 31, 2026	Change
Renewable Energy Power Station Investment	3,021	3,261	+239 (+7.9%)
Total	**3,021**	**3,261**	**+239 (+7.9%)**

● **Trend in Real Asset AUM**

(Unit: 100 million yen)



● **Overview of AUM**

<Full Year>
- Started investments in four battery-storage facilities
- Established two new funds

<4Q>
- Started investments in two battery-storage facilities (Aso City and Niigata City)
- Established SPARX Battery Storage Fund
- Established SPARX Sapporo & Hokkaido GX Fund

● **Performance fees**

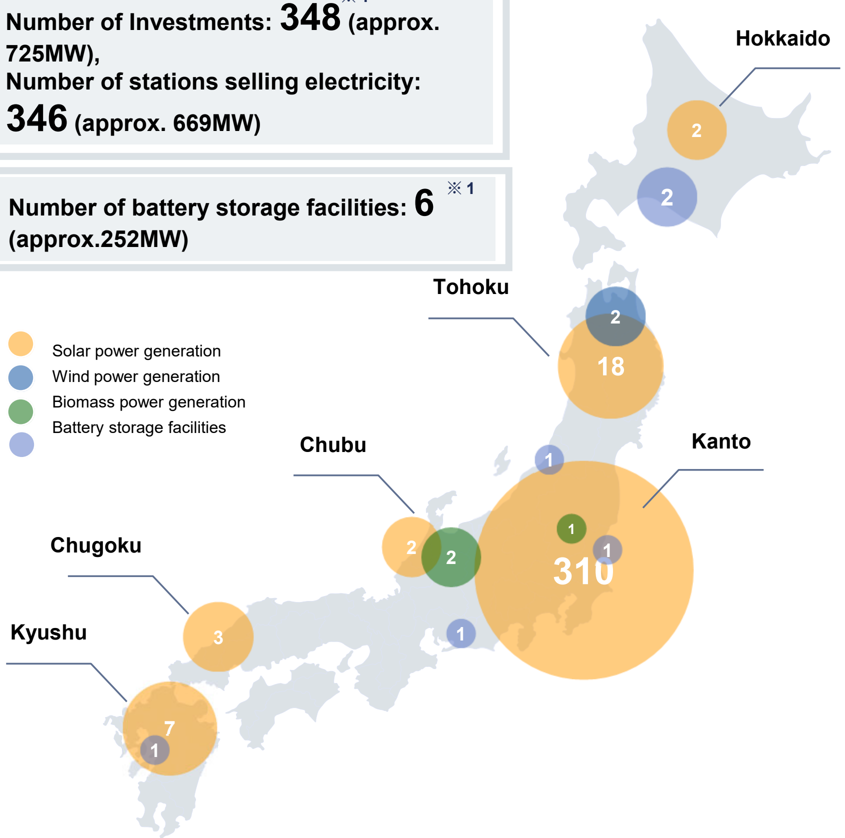
・FY2025
Acquisition fee 212 million yen (decreased by 7.6% YoY)

Overview of Real Asset Investment Strategy (2)

Renewable energy power generation facilities

Number of Investments: 348 ※1 (approx. 725MW),
Number of stations selling electricity: 346 (approx. 669MW)

Number of battery storage facilities: 6 ※1 (approx.252MW)



※1 as of Mar. 31, 2026

(Note) the above number of investments does not include the number of power generation plants owned by consolidated subsidiaries.

SPARX Energy Storage Plant Fund

Launched in March 2026

Aiming for a fund size of approx.JPY 10 billion

- Source of Revenue

Aim to generate revenue through the battery storage business through transactions in supply-demand adjustment, wholesale electricity, and capacity markets.

Investment assets	Equity interests in domestic energy storage projects and other investment securities
Investors	General partner: SPARX Group Co., Ltd. Limited partners: Resona Bank, Ltd., Hulic Co., Ltd., The Joyo Bank, Ltd., and others
Fund size	approximately JPY 10 billion
Fund term	10 years

SPARX Sapporo-Hokkaido GX Fund

- **Mission** Unlock Hokkaido's renewable energy potential and through cross-sector collaboration, serve as a catalyst for GX-driven projects and capital inflows into Hokkaido.

Targeting 10 billion yen

Framework Diagram

Investment areas

The eight priority projects designated by *TSH

- Battery storage
- Hydrogen
- Data Center
- SAF
- Submarine DC and Transmission
- Offshore Wind Power
- Electricity and Hydrogen Transport Ships
- Next-generation Semiconductors

+

Renewable energy in Hokkaido

Utilization

Sapporo & Hokkaido

Aiming to utilize the subsidies, tax incentives, and regulatory reforms being promoted by Sapporo City and Hokkaido to strengthen and consolidate GX-related industrial and financial sectors

Investments

Returns

SPARX Sapporo-Hokkaido GX Fund

General partner
SPARX Group Co., Ltd.

Capital

Dividends

Investors (limited partners)

- City of Sapporo
- TSH – affiliated financial institutions
- Hokkaido based companies
- Non-Hokkaido based companies
- Domestic and international institutional investors
- Other (incl. local and government and foundation)

* TSH stands for Team Sapporo-Hokkaido and is a consortium organization composed various institutions from industry, academia, government, and finance, centered around Hokkaido and the City of Sapporo.

Overview of Private Equity Investment Strategy (1)

Japan Monozukuri Mirai Fund I has fully invested.
Successor funds to both Mirai Creation Fund and Japan Monozukuri Mirai Fund were established in April 2026.

(Unit: 100 million yen)	AUM		
	March 31, 2025	March 31, 2026	change
Mirai Creation Funds (I, II, III) <VC>	1,052	986	-65 (-6.3%)
Space Frontier Funds (I, II) <VC>	223	175	-47 (-21.3%)
Japan Monozukuri Mirai Fund (I) <BO>	168	122	-45 (-27.2%)
Others (2 funds) <VC>	286	295	+9 (+3.4.%)
Total	**1,729**	**1,580**	**-149 (-8.3%)**

＊ VC ＝ Venture Capital Fund BO = Buyout Fund

Overview of AUM

<Full Year>

(New Investments Executed)
- **Mirai Creation Fund III: 12 investments**
- **Space Frontier Fund II: 2 investments**

(IPO)
- **Space Frontier Fund I: 1 IPO**

<Q4>
- **Japan Monozukuri Mirai Fund I: Investment execution completed**

(Established)
- **Japan Monozukuri Mirai Fund II (April 2026)**
- **Mirai Creation Fund IV (April 2026)**

Performance fees

- FY2025
413 million yen (decreased by 53.0% year on year)
In the previous fiscal year (FY2024), the first performance fee of 800 million yen was recorded.

Overview of Private Equity Investment Strategy (2)

Japan Monozukuri Mirai Fund II

Targeting a total fund size of JPY50 billion

On April 3, 2026, we established this fund together with Toyota Motor Corporation, Sumitomo Mitsui Banking Corporation, MUFG Bank, Ltd., and Mizuho Bank, Ltd.
In addition to providing financing, this fund will also offer on-site operational and management improvements support.

- **Fund Highlights**

On-site operational and management improvement		Financing etc.
Support for manufacturing-related mindsets and method, as well as for management strategy	×	Support for sustainable growth

Enhancing the corporate value of portfolio companies
（＝further strengthening Japan's manufacturing）

Fund Principle	To contribute to the sustainable development of Japan's manufacturing sector by investing in companies with outstanding talent, technologies, and services, and by supporting the enhancement of their enterprise value.
Investments	Japanese monozukuri companies with outstanding talent, technologies, and services (in principle, companies in the manufacturing sector)
Support to portfolio companies	To leverage the financial expertise of SMBC, MUFG Bank, and Mizuho Bank while providing support for on-site operational and management improvements, including strategy formulation and execution.
Fund size	Aiming for a total fund size of JPY 50 billion (JPY40.7billion as of April 3, 2026)
Fund term	10 years

- **Comparison with the Japan Monozukuri Mirai Fund I**

1 Fund size

16.8billion yen ▶ 50.0billion yen (target)

2 Investment focus

Manufacturing companies including the automotive and related industries ▶ Manufacturing sector in general

3 Investment approach

Unlisted ▶ Unlisted +PIPEs investment

Overview of Private Equity Investment Strategy (3) AUM growth strategy

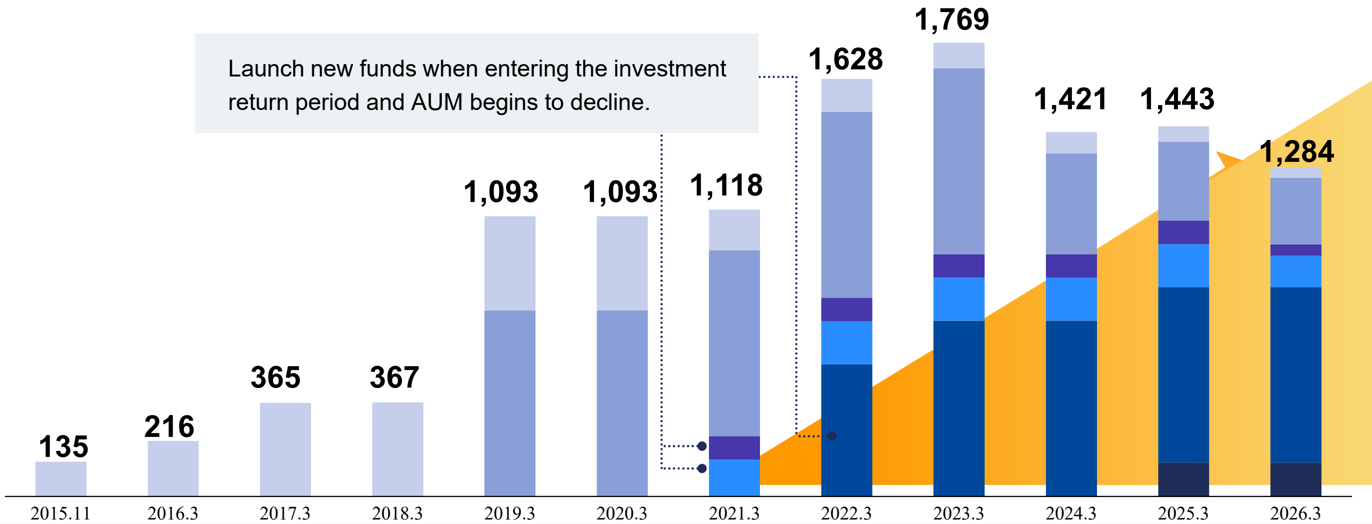
The private equity investment strategy manages multiple funds. Our dual-tracking approach addresses the ongoing decline in AUM caused by portfolio companies' exits from induvial funds during the investment return period by establishing new funds, thereby allowing overall AUM to grow.

(Unit:100 million yen)

Name of Funds	Investment Commitment Amount	Contracts scheduled to expire	Investment Period・Return on Investment Period
Mirai Creation Fund I	367	2026/11	Investment period（2015.11～） / Return on investment period
Mirai Creation Fund II	726	2028/7	Investment period（2018.7~） / Return on investment period
Space Frontier Fund I	92	2030/5	Investment period（2020.05～）
Japan Monozukuri Mirai Fund	168	2030/12	Investment period（2020.12～）
Mirai Creation Fund III	685	2031/10	Investment period（2021.10～）
Space Frontier Fund II	131	2034/3	Investment period（2024.3~）

AUM for Private Equity Funds

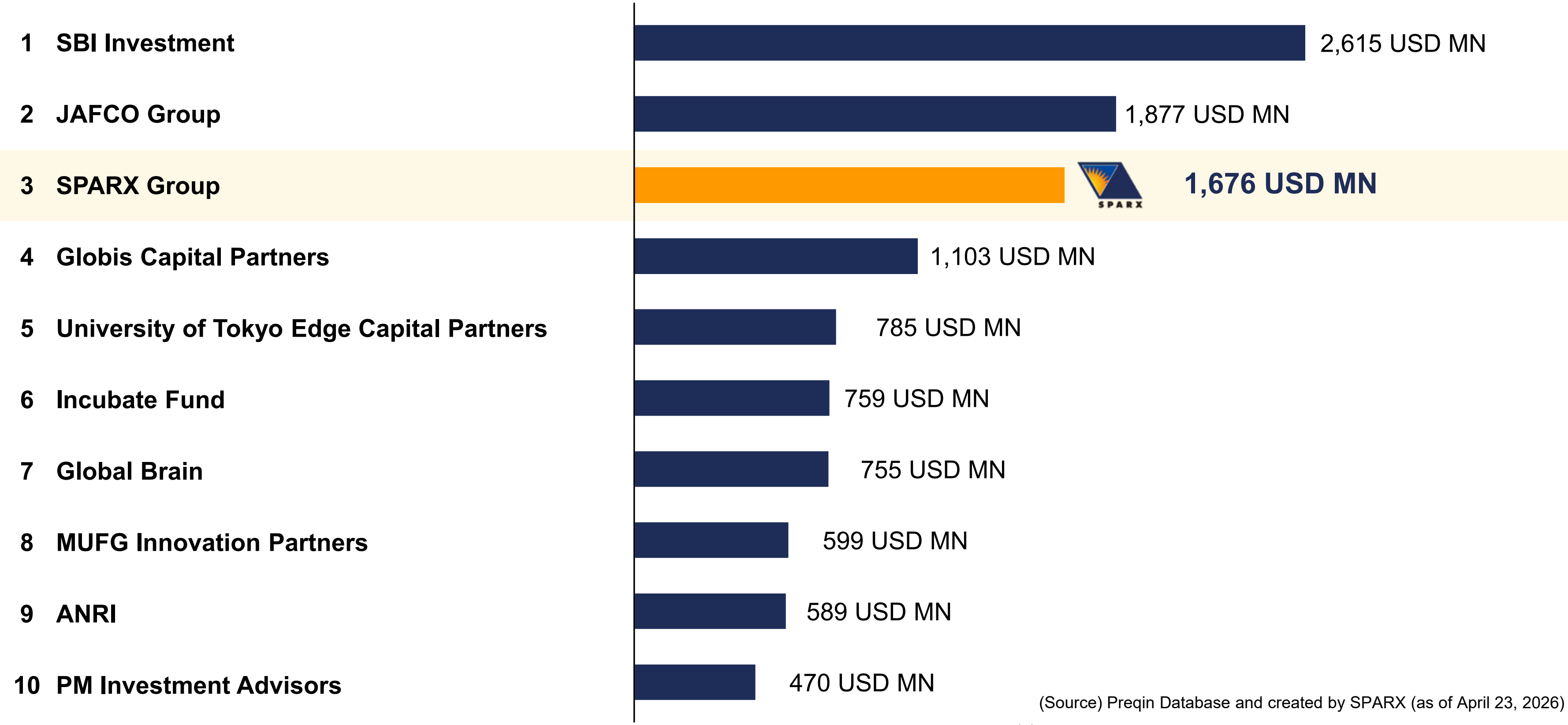
(Unit:100 million yen)



Note: AUM for PKSHA SPARX Algorithm I limited investment partnership and Japan growth capital investment corporation are not included.
Note: The investment return period is five years from the beginning of the investment period.

Overview of Private Equity Investment Strategy (4)

Ranking for domestic venture capital procurement scale



(Source) Preqin Database and created by SPARX (as of April 23, 2026)

※Amount of funding for the past 10 years to those venture capital with headquarters in Japan.

※The capital raised by the Japan Monozukuri Mirai No. 2 Fund, released on April 3, 2026, is not yet included in the above fundraising total.

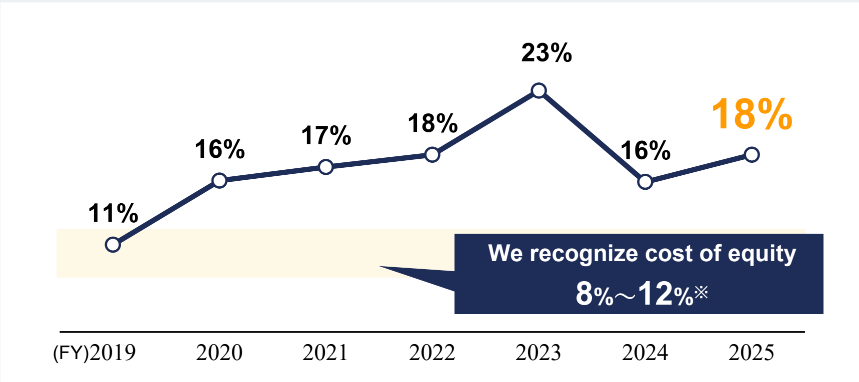
05.

Action to Implement Management that is Conscious of Cost of Capital and Stock Price

Analysis of current status and challenges

ROE remained at a relatively high level of 18%. We will work further increase corporate value while we believe that the most recent ROE results exceeds the cost of equity. PER is below the TSE Prime average. Therefore, we recognize the need to foster expectations for growth potential.

ROE



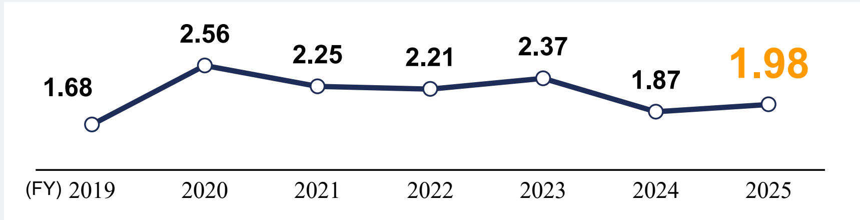
■ **ROE has exceeded the cost of equity**

※ Assumptions for cost of equity calculation (as of March-end 2026)

Calculated by CAPM: Risk-Free Rate [Risk-free interest rate (based on 10-year JGB yields)] ＋ Beta (β) Sensitivity [Our inherent risk] × Risk Premium [Expected excess returns on equity investments] ＝ Cost of Equity [Approximately 12%]

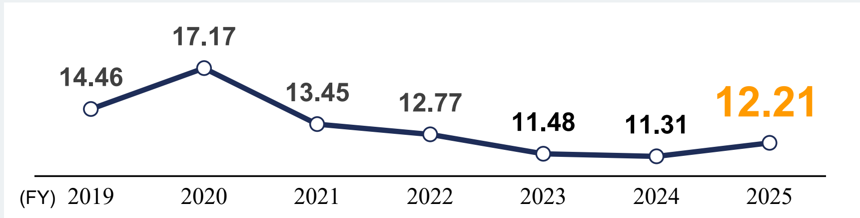
Calculated based on the earnings yield: 1÷ PER ＝ Approximately 8%

PBR



■ PBR remained above 1.0 times

PER



■ It is a challenge that we face, having lower than TSE Prime PER averages (18.6 times, as of the end of March 2026), and we recognize the need to explain and communicate to shareholders about our expectations for growth in an easy-to-understand manner.

Initiatives to enhance corporate value

In order to improve the expected growth rate, new investment strategies will be introduced in the future in response to the demands of the times and changes in the market environment.

PBR = ① ROE / (② Shareholder's equity cost − ③ Expected Growth Rate)

① Further improvement of ROE by expanding existing strategies

- The Company will continue to achieve high-quality investment results given that Japanese Equity Investment Strategy has adequate management capacity in response to increase AUM. We will also differentiate ourselves in order to maintain a relatively high management fee rate. At the same time, we will focus on OneAsia investment strategy and allocate our resources as well, which is a market with much greater growth potential than Japan (P.16).
- The Company is already in well-positioned in the field of real assets and private equity by its AUM size, which are expected to grow rapidly in the future and aims for higher position. (P.16)
- Aim to improve capital efficiency by reviewing each of the four pillars by conducting appropriate seed investment in growth areas and reviewing the business portfolio while examining the effects of investments (P.14)

② Reduction of cost of equity

- In addition to the management fee, performance fees can be earned if the fund performs well. (there is only upside because if there are no performance fees there is no negative impact).

Furthermore, by executing private-equity exits appropriately, we can establish a new driver of performance fee revenue in addition to those from Japanese equities and real assets. (P.14)

- Real assets and private equity funds can generate stable earnings because they are contractually non-cancelable. So they are not affected by market conditions. (P.15)
- The Company has been selected as a constituent of 3 ESG indices which are adopted by GPIF and we will strive to disclose non-financial information at a higher-level. . (P.44)
- Build an efficient, effective, sound and transparent governance system that leverages the strengths of independent investment company. (P.42 Reference Information Materiality)

③ Improving expected growth rate by introduction new investment

- As Japan 's first independent investment company, we have a track record of surviving and growing even in a challenging era after the bubble burst. This is due to our DNA that new investment strategies are consistently introduced in response to the demands of the times and changes in the market environment. Leveraging this DNA, we aim to venture into new high-potential fields and further enhance capital efficiency by establishing two growth investment frameworks: a 'New Business Investment' that goes beyond our existing business domains, and a 'Proprietary Investment' dedicated purely to pursuing high investment returns. (P.13)
- In order to realize our purpose and vision, we will build a framework for recruiting diverse human resources, developing and support of our professionals. (P.42 Reference Information Materiality)

Our Initiatives for Sustainability

We aim to realize a sustainable society by contributing to the resolution of environmental and social issues through investment activities

Environment

- Investing, developing and managing operation of renewable energy power plants and battery storage facilities
- Investing in an area of carbon neutral
- Announcement of commitment to TCFD recommendations, etc.

Social

- Investing in human capital (recruiting・development)
- Implementing working style reformations and keep employees health (certified as a 2026 Health & productivity Management Outstanding Organization Bright 500 companies)
- Social return through activities such as Energy Summit, etc.
- Establishing Group Basic Human Rights Policy, identification of human rights risks and initiatives

Governance

- A company with an Audit and Supervisory Committee
- Chairman is an outside director (Board of Directors, Audit and Supervisory Committee, Nomination and compensation committee, etc.)
- Thorough compliance
- Strengthen BCP policies
- Customer-oriented business operations, etc.

Reference Information

- Basic Sustainability Policy https://www.sparxgroup.com/sustainability/policy.html
- Materiality https://www.sparxgroup.com/sustainability/materiality.html
- Commitment to TCFD Recommendations (March 31, 2024) https://www.sparxgroup.com/sustainability/tcfd.html

Signatory of: PRI Principles for Responsible Investment

2026 健康経営優良法人 KENKO Investment for Health 中小規模法人部門 ブライト500

(Reference) External Recognition toward Our Initiatives for Sustainability

In recognition of our sustainability efforts, SAPRX has been selected as a constituent of three ESG indices which are adopted by the largest institutional investor in the world, GPIF (Japanese Government Pension Investment Fund). As of June 30, 2025, our FTSE ESG score increased from 3.4 to 4.1, and the Governance category received the maximum score of 5.

Three ESG Indices

	FTSE JPX Blossom Japan Index	FTSE JPX Blossom Japan Sector Relative Index	S&P/JPX Carbon Efficient Index
Provider	FTSE Russell		S&P and Japan Exchange Group, Inc.
Summary	An index composed of Japanese companies with strong Environmental, Social and Governance (ESG) ratings based on their own scores. Selected for great ESG initiatives while minimizing industry bias.	An index composed of Japanese companies with strong Environmental, Social, and Governance (ESG) ratings based on their own scores. Selected for great ESG initiatives while minimizing sector bias.	Selection from among the companies comprising the TSE Stock Price Index (TOPIX) based on the status of disclosing environmental information and the level of carbon-efficiency.
Number of issues	410 companies (As of Dec. 31, 2025)	671 companies (As of Dec. 31, 2025)	Approx. 1700 constituent stocks
Reference	https://www.lseg.com/en/ftse-russell/indices/blossom-japan		

ESG Score

FTSE ESG Score

3.4 (2024) ▶ 4.1 (2025)

	(2024)		(2025)
E	3.0	▶	3.0
S	3.2		4.2
G	4.0		5.0

Status of Dialogue with shareholders and investors

We actively engage in IR activities to promote constructive dialogue with our shareholders and institutional investors in order to achieve sustainable growth and increase our corporate value.

	Institutional investors	Individual investors
Policy for dialogue with shareholders and investors	Enhancing information disclosure / Holding investors meetings / Sharing internal feedback from IR activities	
primary efforts related to information disclosure	Quarterly video message from CEO / disclosing earnings presentation / simultaneous disclosure of documents in Japanese and English /continue publishing sponsored research reports	
Overview of investors with whom dialogue was conducted	・Overseas institutional investors (active, global value/value investment/long-short investment/engagement/portfolio managers, etc.) ・Domestic institutional investors (active, mid&small long only/engagement, portfolio managers, etc.)	・Individual investors
Methods of dialogue	IR meetings / small meetings / video message from CEO	seminars for individual investors / events for individual investors / investors meetings
Main respondents to dialogue with shareholders and institutional investors	President and Representative Director / Group CFO / IR in-charge, etc.	
Major themes/topics of dialogue and interests of shareholders	■ Investor composition ■ Changes in our four pillars and future strategies ■ Financial and capital policies, including growth investments ■ Newly established funds (Hokkaido GX, Battery Storage Fund ■ Trends in our share price, etc.	■ Our unique characteristics ■ The structure and strategic direction of our group's four pillars ■ Shareholder returns, including dividend payout ratio ■ Shareholder benefits program ■ Trends in our share price, etc.
Insights gained through dialogue	・In discussions with domestic institutional investors, we were told that our diversified investment strategy is supported by our swift and independent decision-making process, and that our post-Lehman business development is a strength other companies cannot easily replicate. ・Institutional investors showed a stronger than expected interest in alternative strategies such as real assets and private equity.	
Status of feedback to management and the Board of Directors from the opinions and concerns of shareholders identifies in the dialogue	In addition to reporting the monthly IR status at the Board of Directors meeting, we share the opinions, evaluations, and requests received from shareholders and investors through our IR activities with the Group CFO, and implement improvements to our IR initiatives.	
Key initiatives going forward (improvements based on feedback, etc.)	・IR meetings with institutional investors ・Enhancing disclosure related to our business model, including the four pillars	・Continue holding seminars for individual investors ・Introducing shareholder benefits program and conducting shareholder surveys

06.

Appendix

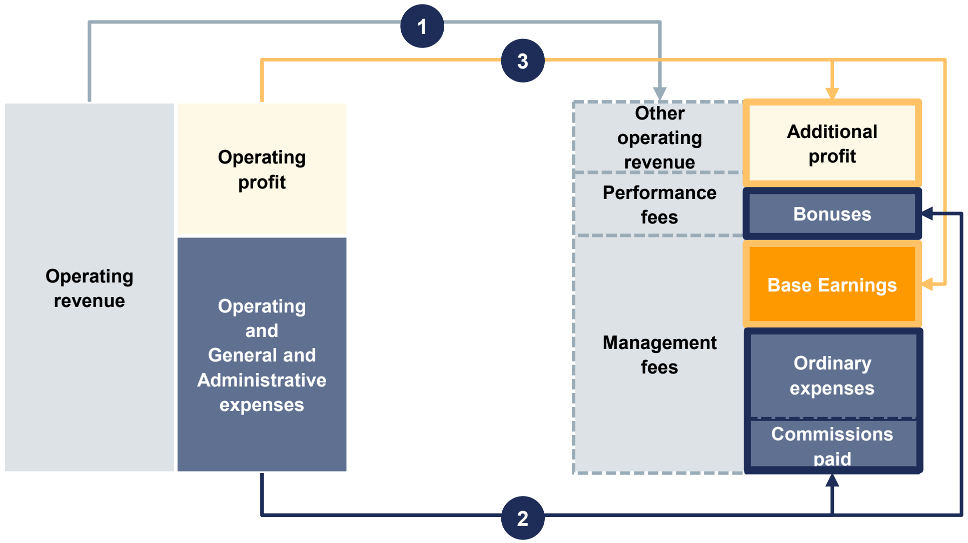
Status of key management indicators

In this material, we explain the business performance and current business conditions of our group by providing managerial accounting details rather than financial accounting.
Use four key management indicators not included in the consolidated financial statements.

Points to note when viewing this materials

Financial accounting

Managerial accounting



1. Operating revenue is classified into management fees, performance fees, and other operating revenue.
2. Operating and general/administrative expenses are classified into commissions paid, ordinary expenses, and bonuses.
3. Operating profit is classified into Base Earnings and additional profit.

Key management indicators

Indicator of the profitability that forms a sustainable and stable foundation for the business

■ **Base Earnings**

Base Earnings = Management Fees − Commissions paid − Ordinary expenses

(Management Fees − Commissions paid: Management fees after deducting commissions)

※Indicators that do not include temporary or additional performance fees, such as operating income for financial accounting purposes, and are not affected by market trends or progress in real asset investments.

Indicators Affecting Two Major Earnings (Balance Fee, Incentive Fee)

■ Assets under management (AUM) ■ Management fee rate ■ % of AUM eligible to earn performance fee

Management Fees = AUM × Management fee rate

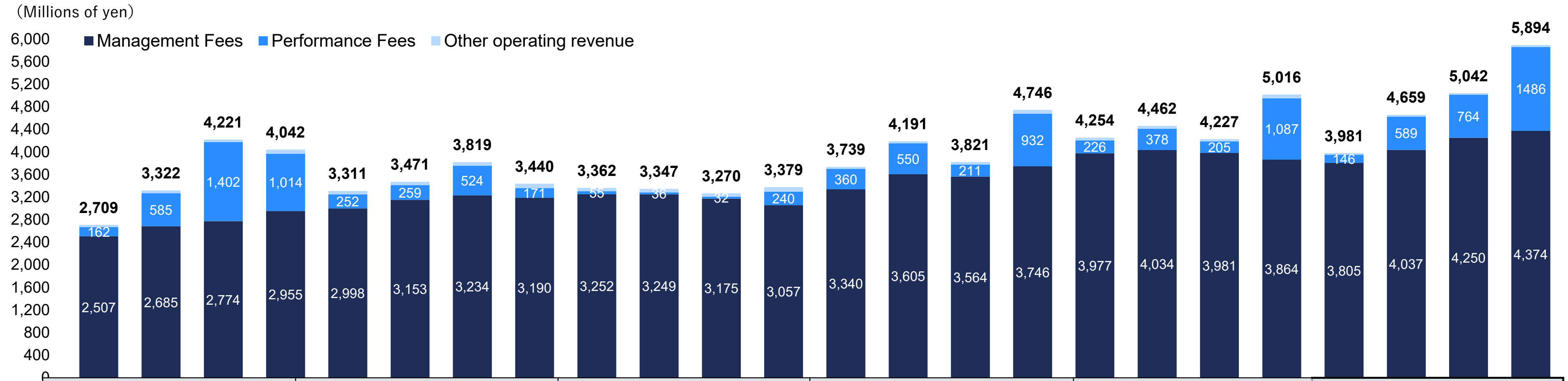
Performance Fees = AUM × Performance fee rate × % of AUM eligible to earn performance fee

Consolidated Earnings Summary (based on management indicators)

		2024	FY2025	
		Full year	Full year	YoY change
Average AUM	(Billions of yen)	1,912.2	2,136.4	+11.7%
Management fee rate (After deducting commissions)	(%)	0.67%	0.64%	(－0.03)
Management fees (After deducting commissions)	(Millions of yen)	12,867	13,444	+4.5%
- Ordinary expenses	(Millions of yen)	6,144	6,245	+1.6%
Base earnings	(Millions of yen)	6,722	7,199	+7.1%
Performance fees	(Millions of yen)	1,897	2,986	+57.4%
Percentage of AUM eligible to earn performance fees	(%)	35.1%	31.3%	(－3.8)
Other operating revenue	(Millions of yen)	205	124	(39.3%)
- Bonuses (including ESOP Expense)	(Millions of yen)	1,068	1,279	+19.8%
- Amortization of Goodwill	(Millions of yen)	27	-	-
Operating profit	(Millions of yen)	7,717	9,025	+17.0%
Profit attributable to owners of parent	(Millions of yen)	5,252	6,384	+21.6%
Return on equity	(%)	16.2%	17.6%	+1.4

(Note 1) Management fees include administrative fees for the power stations related to our Japanese Renewable Energy Investment Strategy. This note applies throughout this presentation.
(Note 2) Performance fees include one-time fees (acquisition fees) received as compensation for formulating power station plans related to our Japanese Renewable Energy Investment Strategy. This note applies throughout this presentation.
(Note 3) Percentage of AUM eligible to earn performance fees show the ratio of AUM with performance fee to the total AUM at the end of the specified period.

Quarterly Trends in Operating Revenue



	FY2020				FY2021				FY2022				FY2023				FY2024				FY2025			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Management Fees	2,507	2,685	2,774	2,955	2,998	3,153	3,234	3,190	3,252	3,249	3,175	3,057	3,340	3,605	3,564	3,746	3,977	4,034	3,981	3,864	3,805	4,037	4,250	4,374
Performance Fees	162	585	1,402	1,014	252	259	524	171	55	36	32	240	360	550	211	932	226	378	205	1,087	146	589	764	1,486
Other operating revenue	39	51	43	72	59	59	60	78	55	61	62	81	37	35	46	67	50	48	41	65	29	32	28	33
Operating Revenue	**2,709**	**3,322**	**4,221**	**4,042**	**3,311**	**3,471**	**3,819**	**3,440**	**3,362**	**3,347**	**3,270**	**3,379**	**3,739**	**4,191**	**3,821**	**4,746**	**4,254**	**4,462**	**4,227**	**5,016**	**3,981**	**4,659**	**5,042**	**5,894**
(Reference)																								
Average AUM (100 millions of yen) (3months average)	12,157	12,783	13,884	14,929	15,306	15,825	16,361	15,381	15,065	15,298	15,187	14,955	15,912	16,613	16,406	18,042	19,295	19,173	19,066	19,056	19,278	20,632	20,676	23,427
Management fee rate (3months average) (After deducting commissions)	0.70%	0.72%	0.68%	0.67%	0.68%	0.69%	0.68%	0.72%	0.76%	0.74%	0.72%	0.71%	0.72%	0.71%	0.70%	0.69%	0.67%	0.68%	0.68%	0.67%	0.66%	0.65%	0.65%	0.64%
Percentage of AUM eligible to earn performance fees	33.5%	34.1%	31.1%	32.5%	33.2%	32.4%	32.1%	36.7%	39.2%	38.7%	38.5%	37.9%	38.7%	38.5%	39.1%	35.3%	33.9%	34.8%	33.5%	35.1%	32.7%	32.1%	30.4%	31.3%
NIKKEI stock average (Record date)	22,288	23,185	27,444	29,178	28,791	29,452	28,791	27,821	26,393	25,937	26,094	28,041	33,189	31,857	33,464	40,369	39,583	37,919	39,894	35,617	40,487	44,932	50,339	51,063

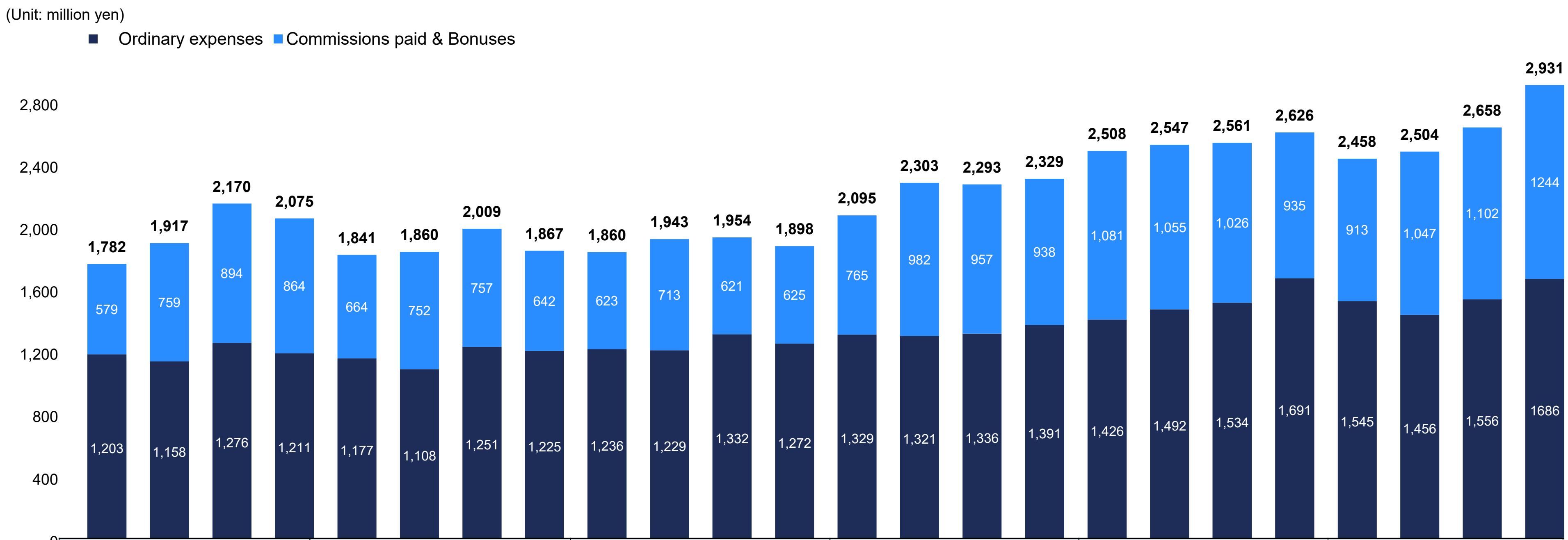
Breakdown of Operating and General Administrative Expenses

■ **Depreciation expense increased mainly due to last year's office expansion, and personnel expense also increased**

(Units: Millions of yen)	FY2024	FY2025	
	Full Year	Full Year	YoY change
Commissions paid	3,003	3,028	+0.8%
Personnel exp.	3,498	3,813	+9.0%
Travel exp.	282	311	+10.4%
Property rent	323	347	+7.6%
Entrusted business expenses	1,225	1,151	(6.1%)
Depreciation on fixed assets	237	331	+39.2%
Advertising exp.	163	177	+8.8%
Research exp.	443	462	+4.3%
Other expenses	1,065	928	(12.8%)
Total: Operating and general administrative expenses	10,244	10,552	+3.0%
Ordinary expenses	6,144	6,245	+1.6%

(Note1) The figures above, excluding "YoY change" are truncated. "YoY change" is rounded to the nearest tenth of a percent.
(Note2) The "Personnel expenses" data includes payments for legal welfare, bonus and temporary staff, etc. other than salary.
(Note3) The "Ordinary expenses" is calculated by deducting (1) Commissions paid, (2) Bonuses (including allowance for bonuses, legal welfare expenses related to bonuses, and ESOP expense) and (3) Severances package for key members, from total operating and general administrative expenses; hereinafter the same applies in this document.

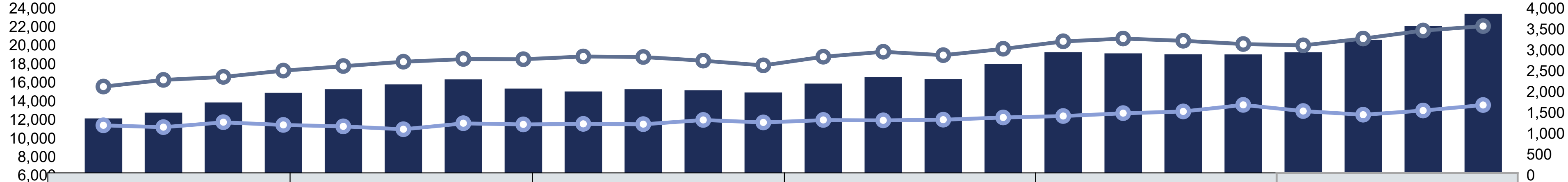
Quarterly Operating and General Administrative Expenses



	FY2020				FY2021				FY2022				FY2023				FY2024				FY2025			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Ordinary expenses	1,203	1,158	1,276	1,211	1,177	1,108	1,251	1,225	1,236	1,229	1,332	1,272	1,329	1,321	1,336	1,391	1,426	1,492	1,534	1,691	1,545	1,456	1,556	1,686
Commissions paid & Bonuses etc.	579	759	894	864	664	752	757	642	623	713	621	625	765	982	957	938	1,081	1,055	1,026	935	913	1,047	1,102	1,244
Operating and general administrative expenses	**1,782**	**1,917**	**2,170**	**2,075**	**1,841**	**1,860**	**2,009**	**1,867**	**1,860**	**1,943**	**1,954**	**1,898**	**2,095**	**2,303**	**2,293**	**2,329**	**2,508**	**2,547**	**2,561**	**2,626**	**2,458**	**2,504**	**2,658**	**2,931**

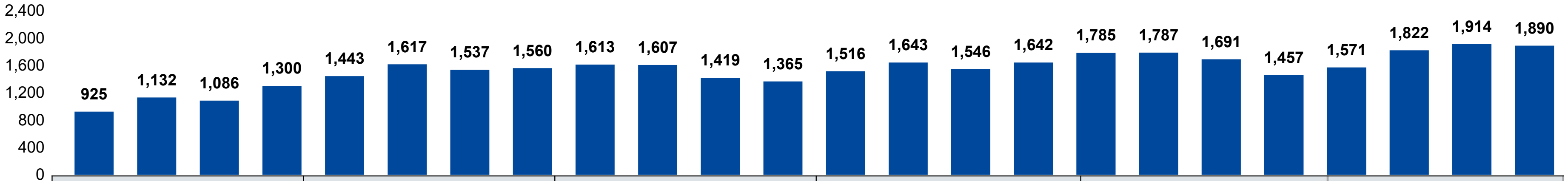
Quarterly Base Earnings

Average AUM



	FY2020				FY2021				FY2022				FY2023				FY2024				FY2025			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
AUM(3months average)（Unit: 100mllion yen)	12,157	12,783	13,884	14,929	15,306	15,825	16,361	15,381	15,065	15,298	15,187	14,955	15,912	16,613	16,406	18,042	19,295	19,173	19,066	19,056	19,278	20,632	22,119	23,427
Management fee(Net)	2,128	2,290	2,362	2,511	2,620	2,725	2,789	2,785	2,850	2,837	2,751	2,638	2,845	2,964	2,882	3,034	3,212	3,280	3,226	3,148	3,116	3,279	3,471	3577
Ordinary Expense	1,203	1,158	1,276	1,211	1,177	1,108	1,251	1,225	1,236	1,229	1,332	1,272	1,329	1,321	1,336	1,391	1,426	1,492	1,534	1,691	1,545	1,456	1,556	1,686

Base Earnings



	FY2020				FY2021				FY2022				FY2023				FY2024				FY2025			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Base Earnings	925	1,132	1,086	1,300	1,443	1,617	1,537	1,560	1,613	1,607	1,419	1,365	1,516	1,643	1,546	1,642	1,785	1,787	1,691	1,457	1,571	1,822	1,914	1,890

(Note) As preliminary figures, the 「Management fee (Net)」 is calculated by multiplying the management fee rate (after the deduction of commission paid) and the average AUM for the period.

Reference Hybrid Business Model

A hybrid model that combines our traditional strategy of investing in highly profitable listed stocks with the stable strategy of financing Real Assets/Private Equity

AUM as of March-end 2026

Japanese Equity 1,519.0bn	OneAsia 239.5bn
Real Assets 326.1bn	Private Equity 158.0bn

Japanese Equity

- Japanese Mid&Small Cap strategy (1989)
- Japanese Equity Long-Short All Cap strategy (1997)
- Japanese Equity Focus All Cap strategy (1998)
- Japanese Equity Focus strategy (1999)
- Japanese Equity Value Creation strategy (2002)

OneAsia

- FoF investment strategy
  (1997, specialized in Asia-Pacific from 2002)
- Korean Equity investment strategy (2005)
- Pan-Asia (excluding Japan and Korea) Equity investment strategy (2006)

Real Assets

- Real Estate investment strategy (2012)
- Renewable Energy investment strategy (2012)

Private Equity

- Mirai Creation Fund (2015)
- PKSHA SPARX Algorithm Fund (2019)
- Space Frontier Fund (2020)
- Japan Monozukuri Mirai Fund (2020)
- Investment corporation (the Fund)
  (managed by Nomura SPARX investment, Inc.,
  a joint venture with Nomura Holdings Co., Ltd.(2021)

Market swings have a significant impact → **Diversified strategies lead to increased stability**

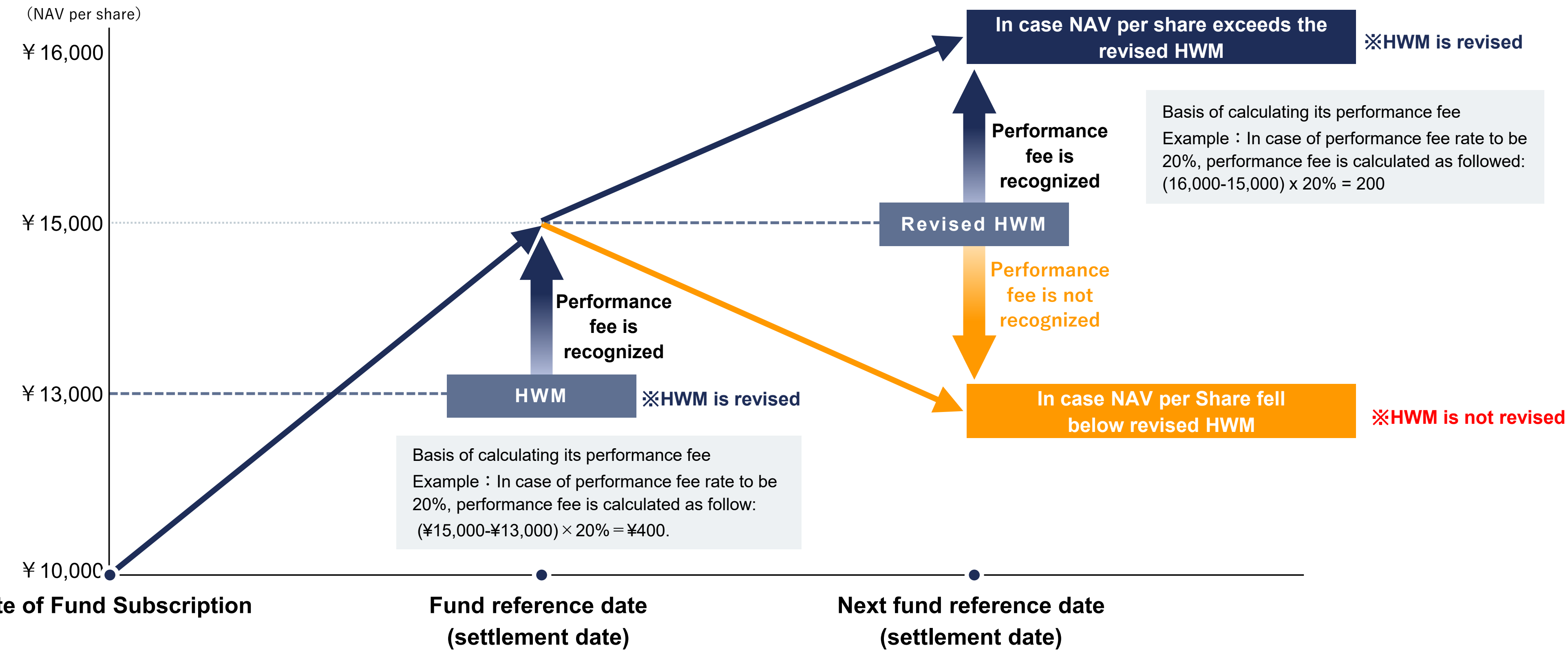
What is the Buffet Club?

Through studying and discussing the investment philosophies of noted investor Warren Buffett and other capitalists, SPARX employees learn and share the value of wanting to make clients wealthier, healthier, and happier as a part of “the most trusted and respected investment company in the world.”

We have regularly held these study sessions since our founding as a way to convey SPARX’s investment philosophy to the next generation

Structure of Performance Fees　(Related to Equity Investment Fund)

Performance Fees are recognized for NAV per share exceeding HWM as of record date for fund



(Note 1)The structure described above is only informational purpose on performance fee structure. It is not intended to explain exactly how the performance fee is calculated based on fund's NAV.
(Note 2)Above uses performance fee rate of 20% for informational purpose only. In addition, "HWM" an abbreviation of High-Water Mark.
(Note 3)In case performance fee recognized on record date for fund, "HWM" is revised.

Performance Fee Structure (Related to real asset (renewable energy) funds)

Performance fee consist mainly of 2 types

We operate separate funds that focus on “greenfield investments” — from development through operation of renewable-energy power plants and “brownfield investments” — in the post-commissioning phase — each backed by long-term, stable cash flows. Performance fees arise as acquisition fees (performance fees) upon completion of development milestones in the inherently uncertain process of power-plant development. In addition, performance fees are recognized when a green fund successfully sells an invested power plant and records capital gains.

Renewable energy power generation facilities, etc

Development of Real Assets (renewable energy power plants, etc.)

Finalize the contracts
(at the time of the first financing)
Acquisition fee (Performance fees)

Progress of the project
(Financing through development progress)
Acquisition fee (Performance fees)

Progress of the project
(Financing through development progress)
Acquisition fee (Performance fees)

• • •

Acquisition fees (performance fees) are generated by multiplying the project cost by a fixed rate when financing arises from the conclusion of a project contract, such as the formulation of a business plan, the selection, and management of a contractor.

Green Fund or Brown Fund

Sale from managed funds

From managed funds Selling the power plants
Fees associated with the sale (Performance fees)

- **An performance fee is accrued when a gain is recorded on the transfer of a power plant, etc. that has stabilized operation after development.**

(Note 1)The structure described above is only informational purpose on performance fee structure. It is not intended to explain exactly how the performance fee is calculated.

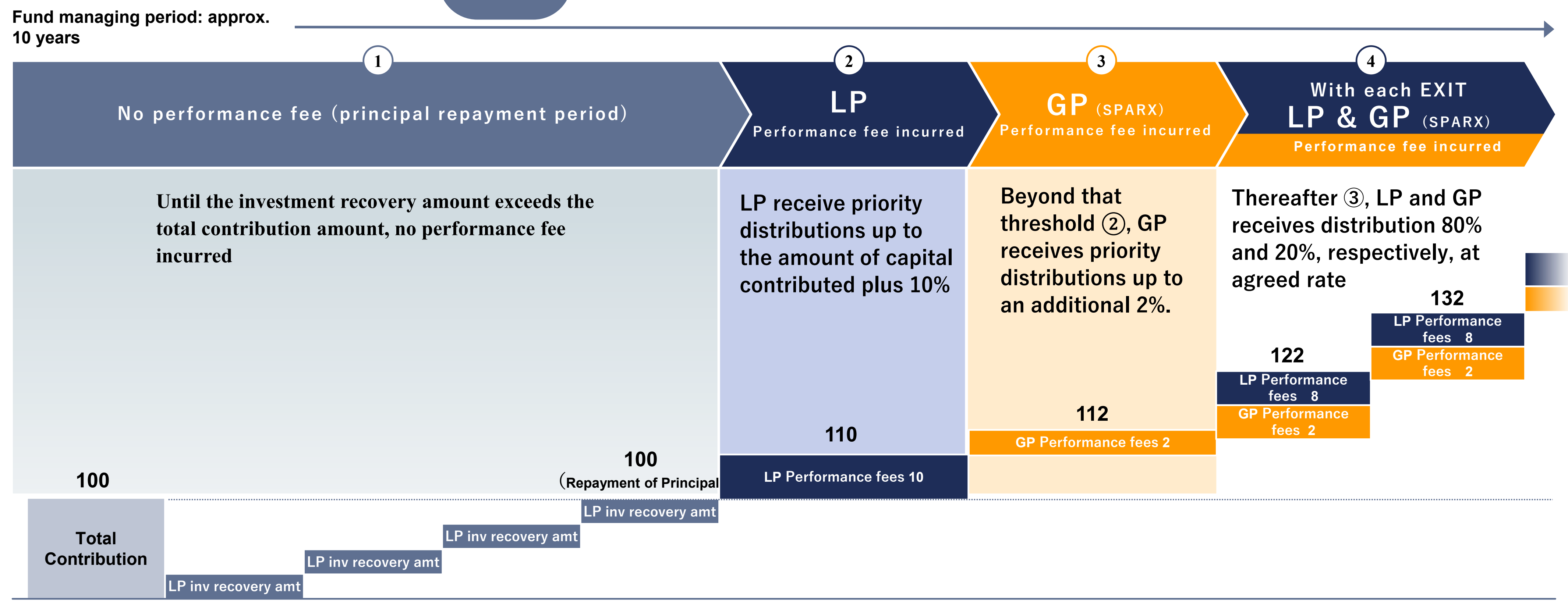
Performance Fee Structure (Related to venture capital fund)

The investment recovery amount exceeds 100% of contribution amount, and a performance fee is accrued to GP (SPARX) after the preferred dividends are paid to LP investors.

Image of Performance Fee Accrual

Terms and conditions

①Total Contribution:100 ②LP preference:10% ③GP (SPARX) preference:2% ④Distribution at the rate of LP80% and GP20%



(Note 1)The structure described above is only informational purpose on performance fee structure. It is not intended to explain exactly how the performance fee is calculated.
(Note 2) In the above, performance fee rates are calculated using assumed rates for convenience.

Primary Investment Strategies: Composite Returns Since Valuation Began ①

Japanese Equity Active Long-Only investment strategy

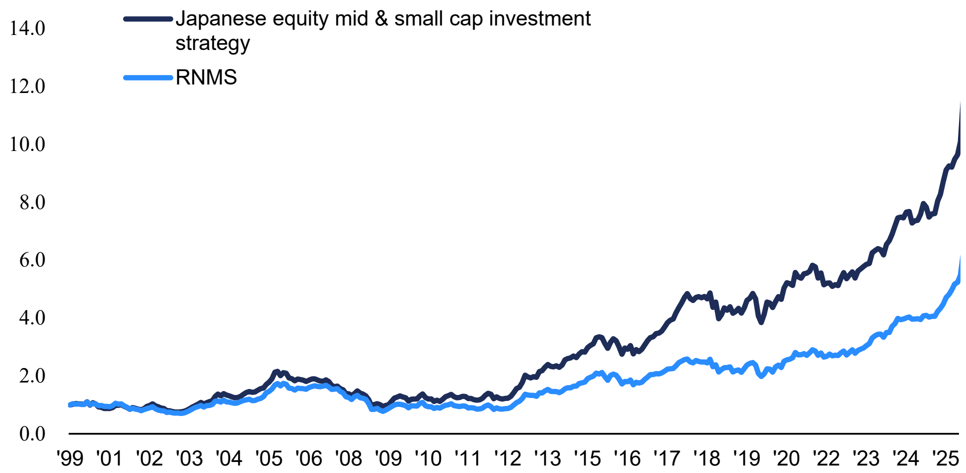
（Annualized Return）

Japanese equity active long-only investment strategy	11.39%
Reference Index	4.96%
Excess Return	6.44%

Reference Index	TOPIX (Dividend included)
Measurement Period	1997/5 ～2026/3
Volatility of Composite Return (Annualized)	19.27%

※Performance is shown gross of fees.
※The base currency is the Japanese Yen.

Japanese Equity Mid & Small Cap investment strategy



（Annualized Return）

Japanese equity mid & small cap investment strategy	9.15%
Reference Index	6.75%
Excess Return	2.40%

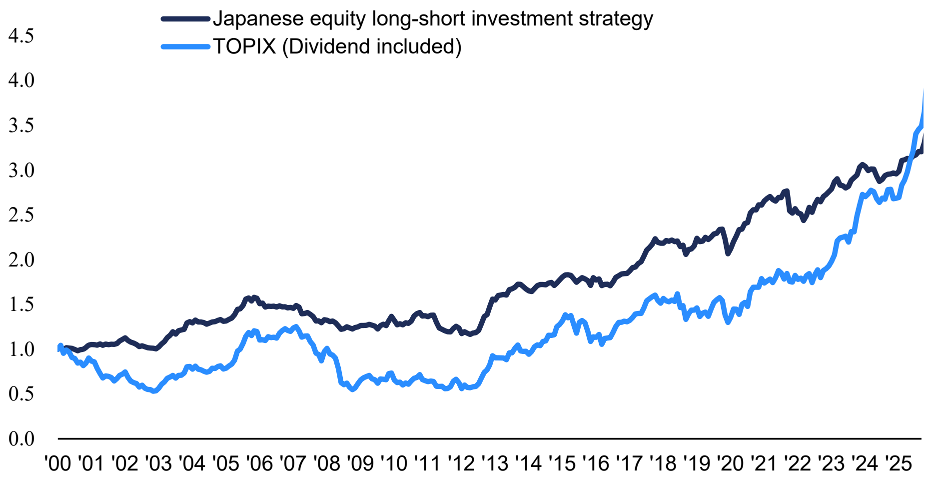
Reference Index	Russell/Nomura Mid-Small Cap Index
Measurement Period	2000/1 ～2026/3
Volatility of Composite Return (Annualized)	17.10%

※Performance is shown gross of fees.
※The base currency is the Japanese Yen.

Source: SPARX Asset Management Co., Ltd. (as of Mar 31, 2026)
※ This presentation has prepared in compliance with the GPIS standards (Global Investment Performance Standards).
Please be sure to read the additional materials appended to the end of this presentation.

Primary Investment Strategies: Composite Returns Since Valuation Began ②

Japanese Equity Long-Short investment strategy

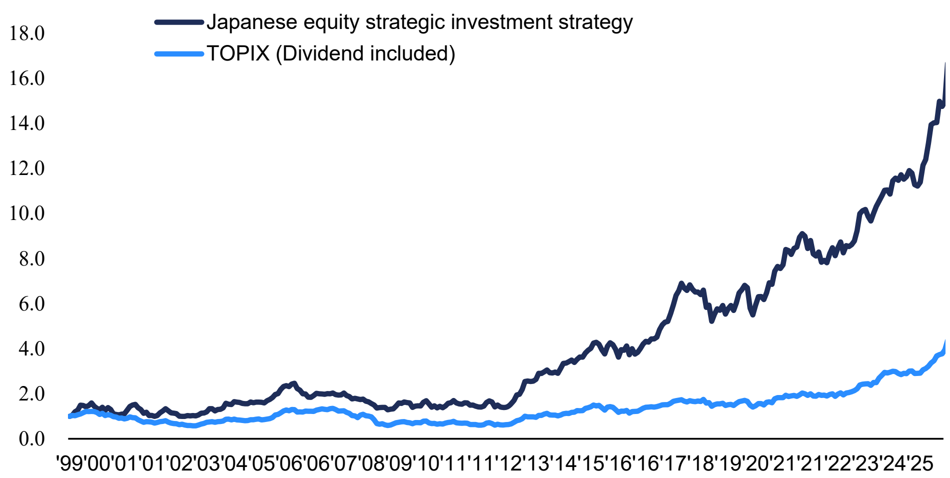


(Annualized Return)

Japanese equity long-short investment strategy	4.69%	Reference Index	TOPIX (Dividend included)
Reference Index	5.10%	Measurement Period	2000/6～2026/3
Excess Return	-0.41%	Volatility of Composite Return (Annualized)	7.47%

※Performance is shown gross of fees.
※The base currency is the Japanese Yen.

Japanese Equity Strategic investment strategy



(Annualized Return)

Japanese equity strategic investment strategy	10.66%	Reference Index	TOPIX (Dividend included)
Reference Index	5.24%	Measurement Period	1999/7～2026/3
Excess Return	5.42%	Volatility of Composite Return (Annualized)	18.93%

※Performance is shown gross of fees.
※The base currency is the Japanese Yen.

Source: SPARX Asset Management Co., Ltd. (as of Mar 31, 2026)
※ This presentation has prepared in compliance with the GPIS standards (Global Investment Performance Standards). Please be sure to read the additional materials appended to the end of this presentation.

Information

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Official Facebook	https://www.facebook.com/SPARXGroup/
Official X（former Twitter）	https://x.com/sparx8739

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Composite details

- A detailed account of all composite lists and other content from the firm is available upon request.

  Contact：Global Business Development Division, SPARX Asset Management Co., Ltd. (Tel. +81-3-6711-9200)
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Notes on Investment Trusts

- The following statements are presented in compliance with Article 37 of the Financial Instruments and Exchange Act. Note that their content may differ from the costs or risks that apply to the individual investment trusts that clients actually purchase. The costs and fees associated with the funds differ according to the marketing companies and the individual investment trust, so these statements express the maximum amounts for all fees that SPARX Asset Management collects for the investment trusts it manages. In the event that a party wishes to purchase a specific investment trust, we ask that the party makes his/her ultimate investment decision at his/her own discretion after reviewing the investment trust's prospectus, which is available immediately upon request.

About Risks Related to Investment Trusts

- Investment trusts invest mainly in stocks, public bonds, and real estate investment securities of fluctuating value (assets in foreign currencies also include exchange risks), so their net asset values (NAV) will fluctuate. Therefore, the investment trusts do not guarantee returns on invested capital, and they may incur losses due to declines in NAVs, primarily attributable to transaction price and currency fluctuations in relevant markets, resulting in balances dropping below originally invested amounts.
- Specialized funds differ from diversified general investment trusts in that they manage a narrower scope of stocks. Thus, they are much more likely to experience NAV fluctuations, regardless of market trends.
- Long-short strategy funds operate from a short position, meaning that when shorted stocks see share price growth, fund NAVs will fall. Moreover, situations in which both long and short positions incur losses significantly raise the possibility of loss to investors, compared to that for normal funds.
- These risks include only a portion of the risks related to investment trusts, and the details and nature of the risks differ according to the type of assets targeted, investment restrictions, transaction exchange, and countries targeted for each investment trust.

About Risks related to Investment Trusts (Publicly Offered Investment Trusts)

The maximum expenses (fees) for SPARX's investment trusts (publicly offered investment trusts) are as follows:

- Direct costs

Fees at the time of purchase	Up to 3.3% (tax included)
Liquidation fees	None
Investment trust asset reserves	Up to 0.5%

- Indirect costs during investment in investment trusts

Management fee	Up to 2.057% (tax included)
Performance fee※	Some investment trusts may require performance fees

※ The amount of performance fees varies per the NAV level, so it is not possible to indicate a maximum amount in advance.

- Other costs and fees: Auditing costs, sales commissions generated by composite marketable securities (including funds) transactions, which include costs for creating prospectuses or investment reports, costs required for futures or options transactions, and custodial costs for assets in foreign currencies. When composite marketable securities are funds, they may charge for other expenses, including fiduciary trust company and custodial firm fees. These fees vary per management conditions, so it is not possible to indicate their maximum amounts in advance.
- The total cost of fees differs according to the period of ownership, so these fees cannot be shown. They also differ according to investment trust, so contact your distributor for more details.

[Asset Management Company]

SPARX Asset Management Co., Ltd.

Financial Services Provider Registration Number: Director of Kanto Local Finance Bureau, No. 346

Memberships : The Investment Trusts Association, Japan; Japan Investment Advisers Association; Japan Securities Dealers Association; and Type II Financial Instruments Firms Association

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