

The following is an English version of the official Japanese announcement, which has been given to the Tokyo Stock Exchange and the media in Tokyo, Japan.



January 27, 2021

For Immediate Release

SPARX Group Co., Ltd.
President and Group CEO Shuhei Abe
(TSE1: 8739)

Announcing the Tokyo ESG Fund's First Investment

—Making this initial move in the development of renewable energy power stations—

TOKYO—January 27, 2021—SPARX Asset Management Co., Ltd. (SAM), a subsidiary of SPARX Group Co., Ltd. (SPARX; TSE1: 8739), manages the Tokyo Metropolitan Government's Tokyo ESG Fund, whose aim is to promote ESG investment. Today, SPARX announced that, under SAM's management, the Fund made its first investment toward the development of renewable energy power stations.

The investment is in a new wind power station under construction in Iwaizumi Town, Shimohei District, Iwate Prefecture. The power station promises to promote renewable energy and contribute to the local economy.

As the Fund continues investing in renewable energy development projects, a portion of the fund manager's commissions will help finance philanthropic projects. The SPARX Group endeavors to actively pursue solutions to social problems as it aims to realize a sustainable society.

- Fund name
SPARX Public-Private ESG Investment Limited Partnership

- Target investments
SGET Iwaizumi Wind Farm LLC

■ SPARX Public-Private ESG Investment Limited Partnership overview

General partner	SPARX Group Co., Ltd.
Fund manager	SPARX Asset Management Co., Ltd.
Date of fund establishment	February 28, 2020
Target investments	Renewable energy power station businesses in Japan
Fund duration	Through February 28, 2027, with an optional three-year extension
Fund size	JPY 6.1 billion

■ Summary of investments

Operating company	SGET Iwaizumi Wind Farm LLC
Power station location	Iwaizumi Town, Shimohei District, Iwate Prefecture
Power generation method	Wind power generation
Output	Approximately 46,000 kW
Operations start	December 2023 (scheduled)
Total operating expenses	Approx. JPY 25.4 billion

- This press release is not intended to solicit investments. Its sole purpose is to promote understanding of the SPARX Group's activities and provide information on its companies' businesses.

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■ Related press releases

“Tokyo Metropolis Selects SPARX Asset Management to Manage a New Tokyo ESG Fund,” published October 4, 2019.

<https://ssl4.eir-parts.net/doc/8739/tdnet/1755425/00.pdf>

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