

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.



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For Immediate Release

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

**SPARX's Space Frontier Fund Invests in Space Shift,
a Developer of Satellite Data Analytics Systems**
—Exploring the World through Space and AI—

TOKYO—February 16, 2021—SPARX Innovation for the Future Co., Ltd. (SIF)—a subsidiary of SPARX Group Co., Ltd. (SPARX; TSE1: 8739)—today announced that its Space Frontier Fund, established in June 2020, has invested in Space Shift, Inc., a developer of software that uses AI analytics to extract a wealth of information from Earth observation satellite data. Space Shift plans to use this capital to advance its AI development by dramatically improving its systems and specializing in data analytics for synthetic aperture radar (SAR)* satellites.

*Synthetic aperture radar (SAR): A radar that emits radio waves from satellite antennas to measure the observable ground surface objects that reflect those radio waves.

It measures the size and surface characteristics of objects based on these reflected radio waves.

Portfolio Company Outline

In 2009, Space Shift CEO Naruo Kanemoto founded the firm to develop commercial satellite data analytics software and services. With the recent increase in microsatellite performance, the US government's lifting of the ban on the commercial use of SAR data, and AI's advancement for speeding up the development of data analytics tools, a market has emerged for utilizing satellite data acquired from micro SAR constellations. Space Shift aims to help realize a more efficient society by dramatically improving analytics' accuracy through AI-based high-speed automated processing of SAR satellite data, in an attempt to understand the total volume and scope of all production.

For more details on Space Shift, visit their website at <https://www.spcsft.com/>.

Space Frontier Fund Overview

The Space Frontier Fund primarily seeks to support talents and technology development in space-related industries, to foster Japanese space companies that are competitive on the world stage, and to contribute to technological innovation throughout Japan. Under SIF as its manager, the Fund began operations in June 2020 with an initial investment of JPY 8.2 billion from Toyota Motor Corporation, Mitsubishi UFJ Bank, Sumitomo Mitsui Banking Corporation, Mizuho Bank, and others.

SIF's homepage: <https://sparxsif.com/en/>

- For inquiries related to this release, contact:
Public Relations, SPARX Group Co., Ltd.
Tel: +81-3-6711-9100 / Fax: +81-3-6711-9101
pr_media@sparxgroup.com