



FY2025 2nd Quarter Earnings Presentation (April 2025 – Sep. 2025)

SPARX Group Co., Ltd.

October 31, 2025

Securities code: 8739

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01.

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

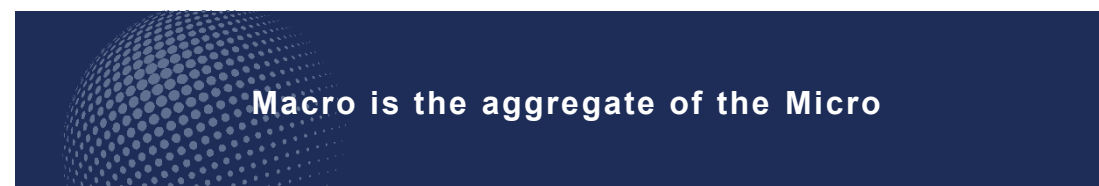
Company name	SPARX Group Co., Ltd.
Address	1-2-70 Konan, Minato-ku, Tokyo, Japan
Founded	July 1, 1989
Capitalization	JPY 8,587 million (as of Sep 30, 2025)
Exchange:	Tokyo Stock Exchange Prime Market (Securities code: 8739)
Employees	189(as of Sep 30, 2025)
Description of Businesses	■ Investment Management ■ 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



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

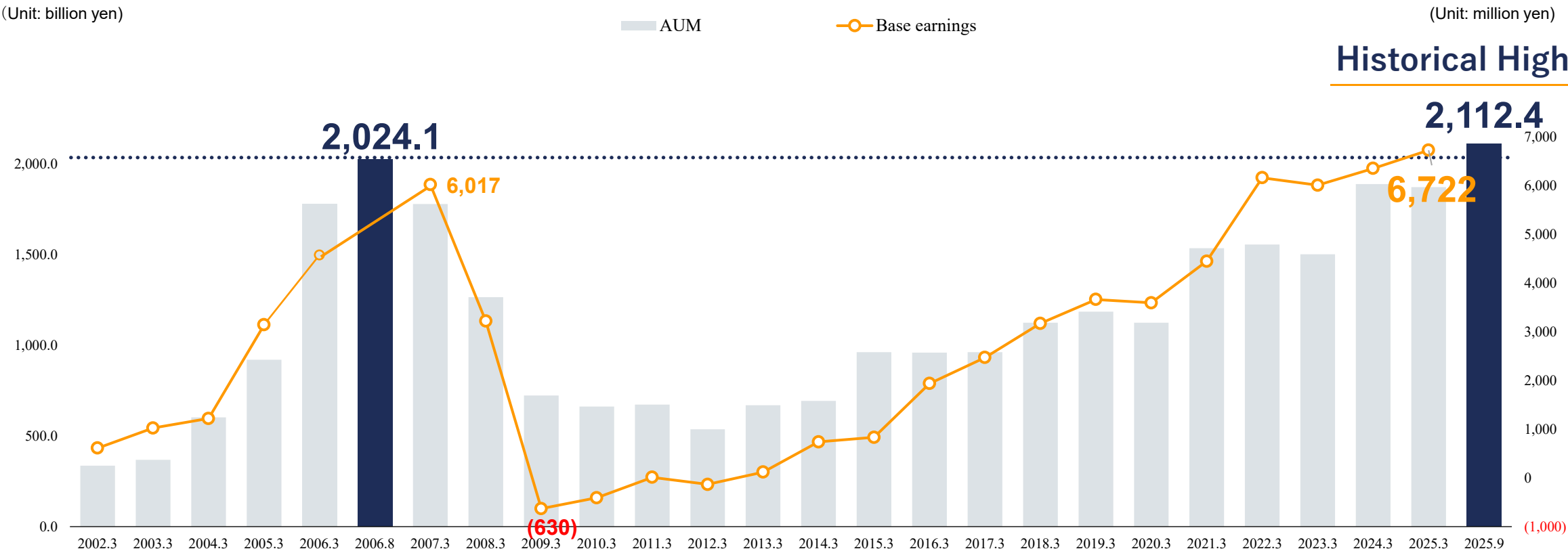
AUM(Assets Under Management) have reached a record high



At the end of September 2025, AUM reached the highest level since the company's founding, totaling 2,112.4 billion yen. The company is aiming for 3 trillion yen in AUM.

Since the collapse of Lehman Brothers, AUM has expanded continuously, and the company recorded its highest-ever Base Earnings at the end of March 2025.

Trends in AUM and Base Earnings



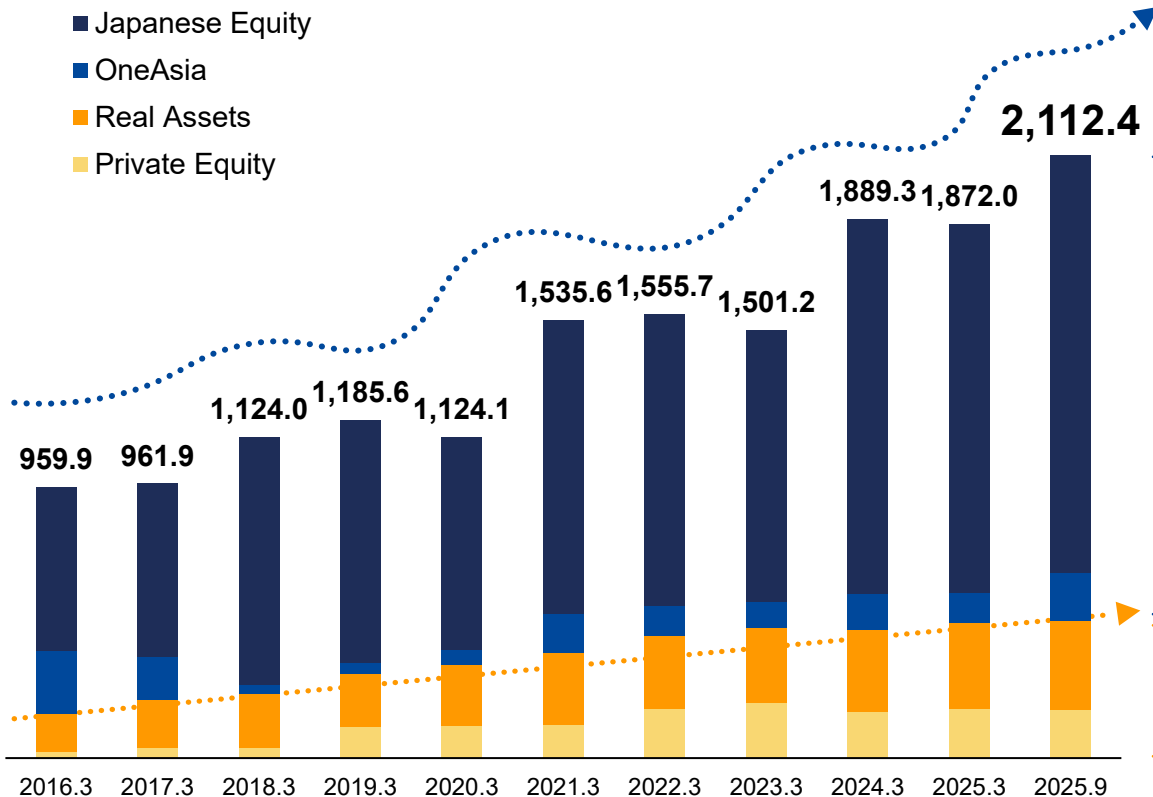
Progress on the Four Pillars – a Solid Business Model



In addition to our listed-equity investment strategies, we have established alternative investment strategies, including real assets and private equity. Through progress across these four pillars, we are building a business model that expands AUM growth opportunities and mitigates downside revenue risk arising from market fluctuations.

Trends in AUM

(Unit: billion yen)



Our business model is designed so that real assets and private equity support earnings in equity-market downturns, while listed equities drive revenue growth in market upswings.

Listed Equity
(Japanese Equity, OneAsia)
1,629.9 billion yen
(77.2%)

Fund managers manage large AUM and are highly profitable.

Some investment strategies include performance fees, creating revenue upside when performance is strong

Real Assets, Private Equity
482.3 billion yen
(22.8%)

Committed AUM from long-term contracts provides stable revenue

Private equity and the renewable energy market have high growth potential, with performance fees attached

Focus on Alternative Investment Strategy

Compared with the end of March 2015, AUM grew 1.7x for traditional strategy, 6.0x for alternative strategy. Strengthening our alternative strategy to make it one of the pillars of our business.

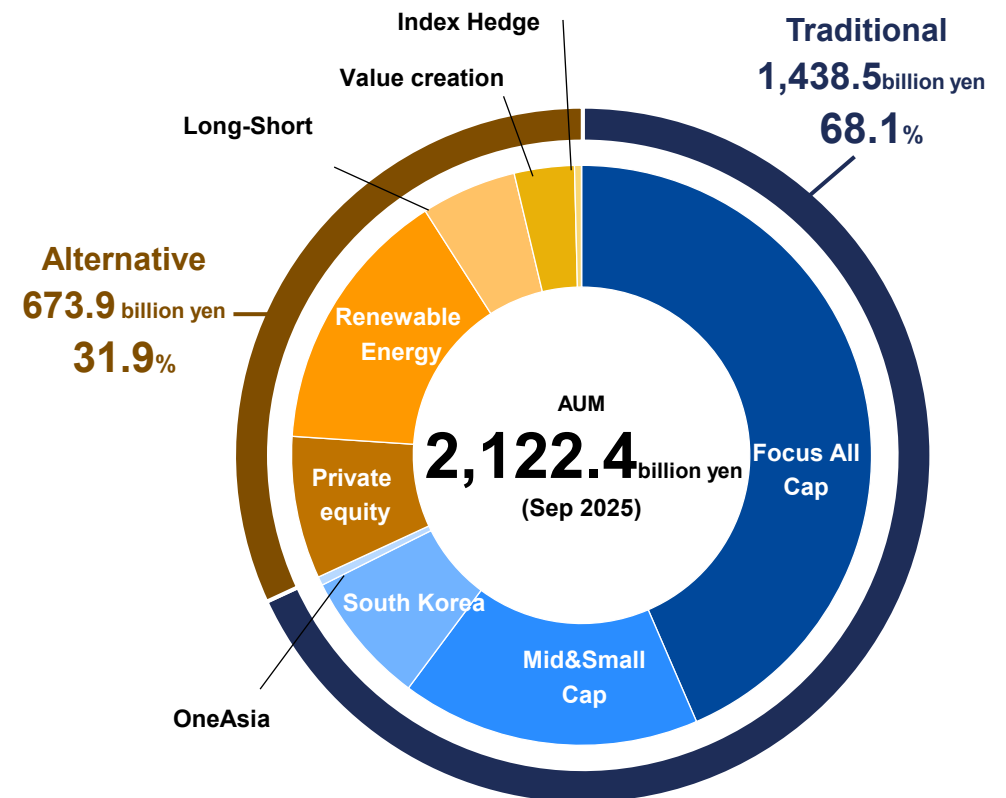
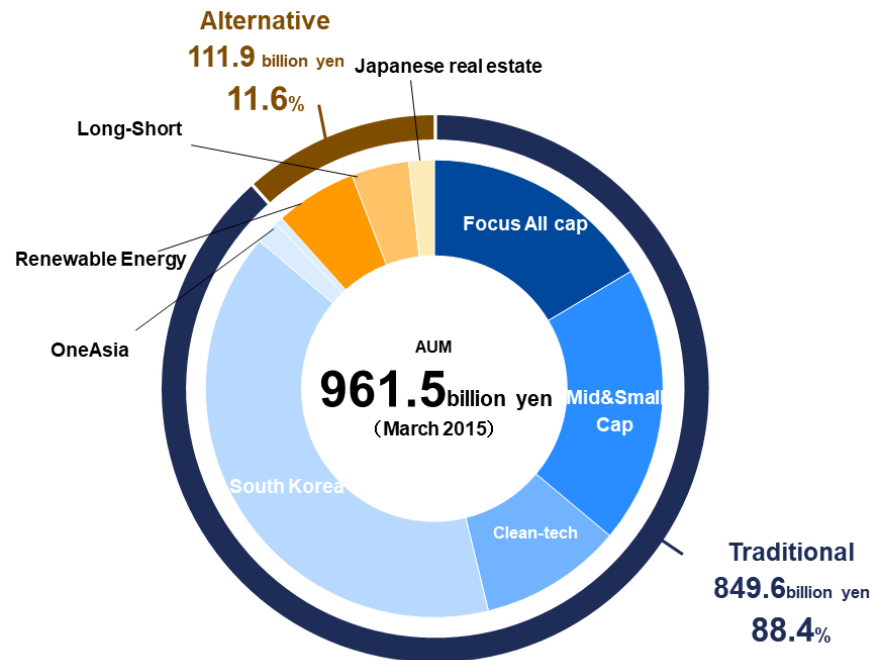
AUM for alternative strategy

111.9 billion yen **▶** **673.9** billion yen
(March 2015) (Sep 2025)

Composition for Alternative AUM

11.6% **▶** **31.9%**
(March 2015) (Sep 2025)

AUM breakdown (by strategy)

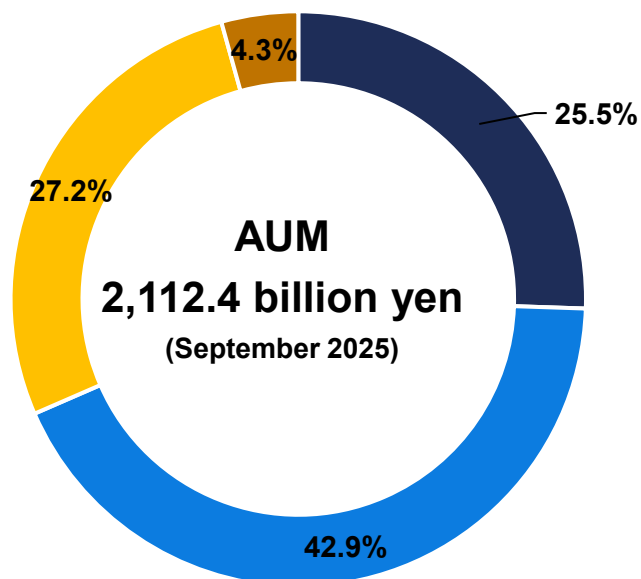


Diversified Investor base



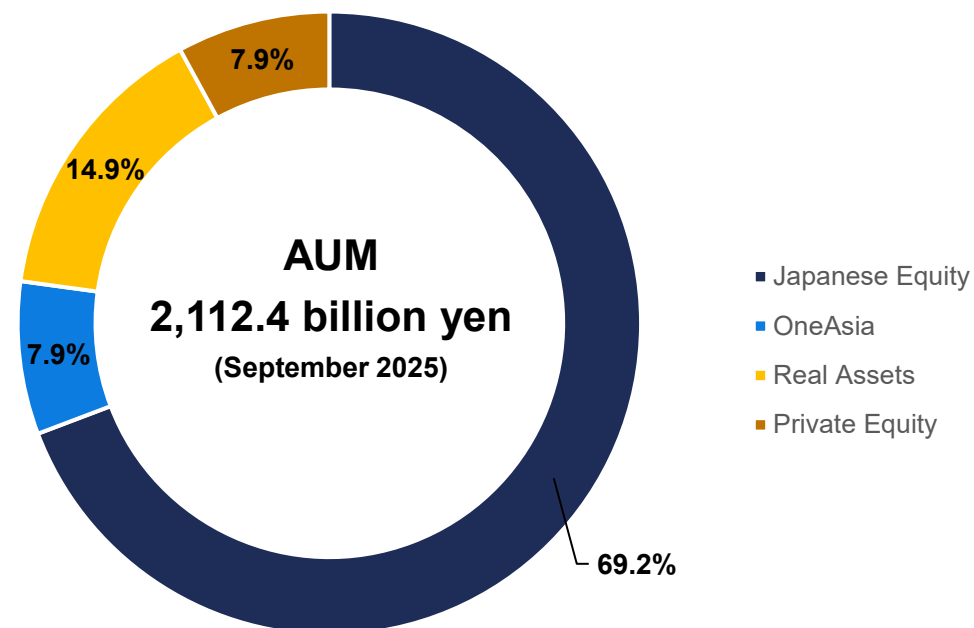
Since our founding, we have built deep relationships—primarily with overseas institutional investors—as a gateway to Japanese equity investment. With the diversification of our investment strategies into OneAsia, real assets, and private equity, our client base has become broader and more substantial.

■ AUM composition (by investor)



- Domestic inst'l investors
- Overseas inst'l investors
- Investment trust
- Business company

■ AUM composition (by investment strategy)



- Japanese Equity
- OneAsia
- Real Assets
- Private Equity

※ 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

02.

Financial Results for FY2025 Q2

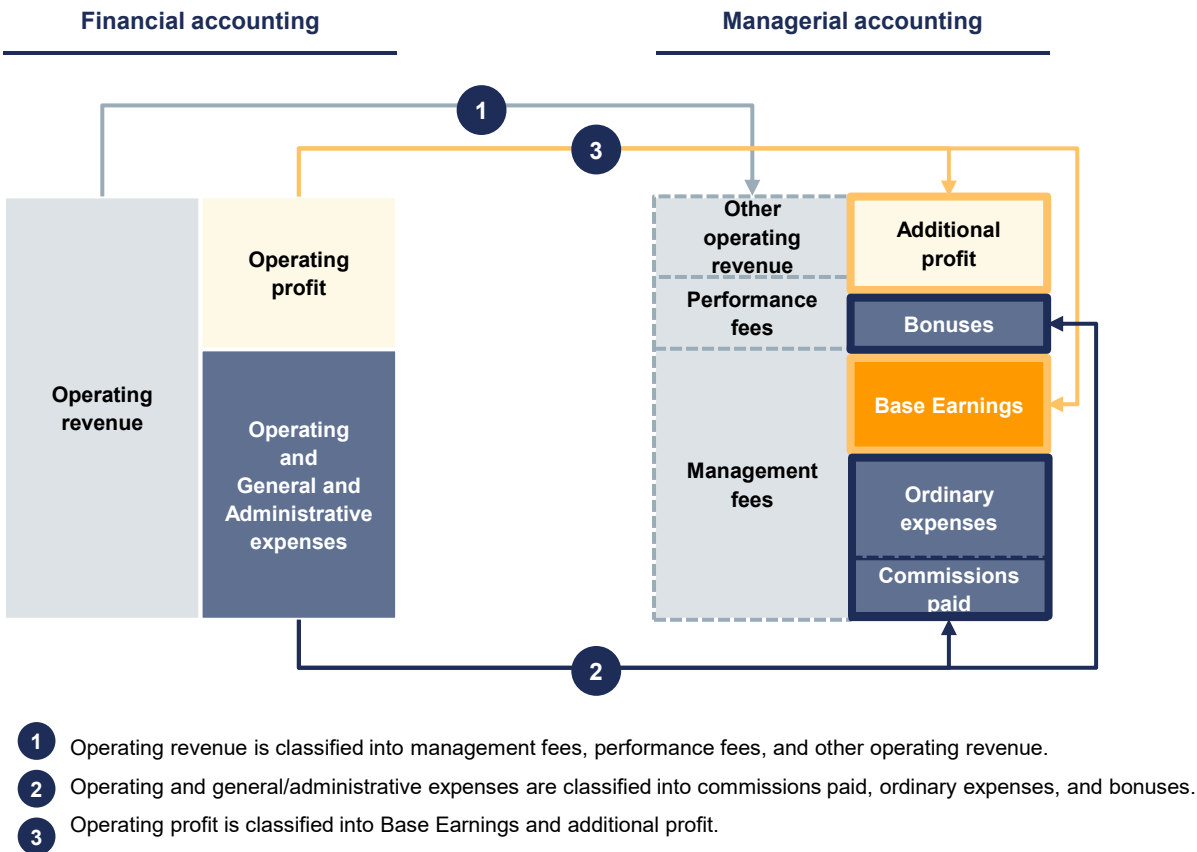
Status of key management indicators



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



Key management indicators

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

Base Earnings

$$\text{Base Earnings} = \text{Management Fees} - \text{Commissions paid} - \text{Ordinary expenses}$$

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)

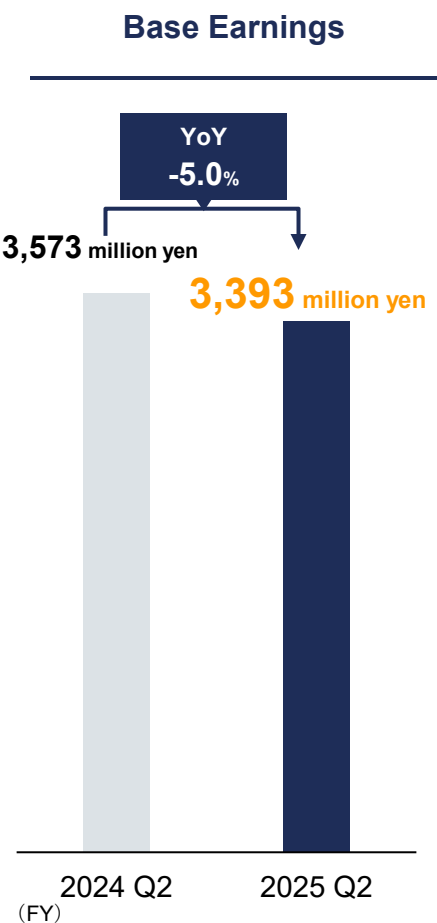
■ Assets under management (AUM) ■ Management fee rate ■ % of AUM eligible to earn performance fee

$$\text{Management Fees} = \text{AUM} \times \text{Management fee rate}$$
$$\text{Performance Fees} = \text{AUM} \times \text{Performance fee rate} \times \% \text{ of AUM eligible to earn performance fee}$$

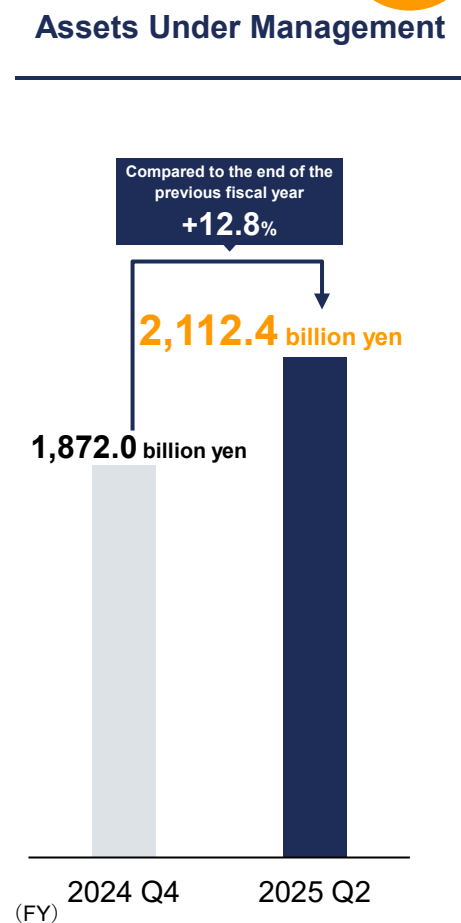
FY2025 Q2 Status of key management indicators



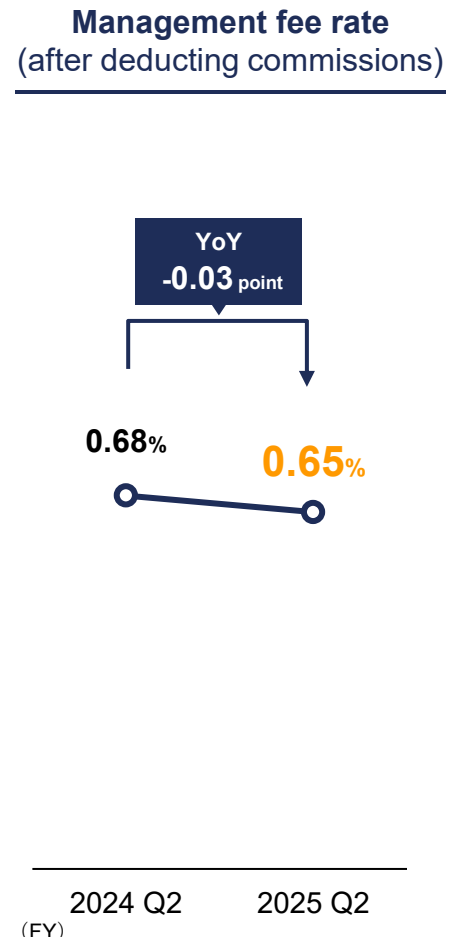
Historical high



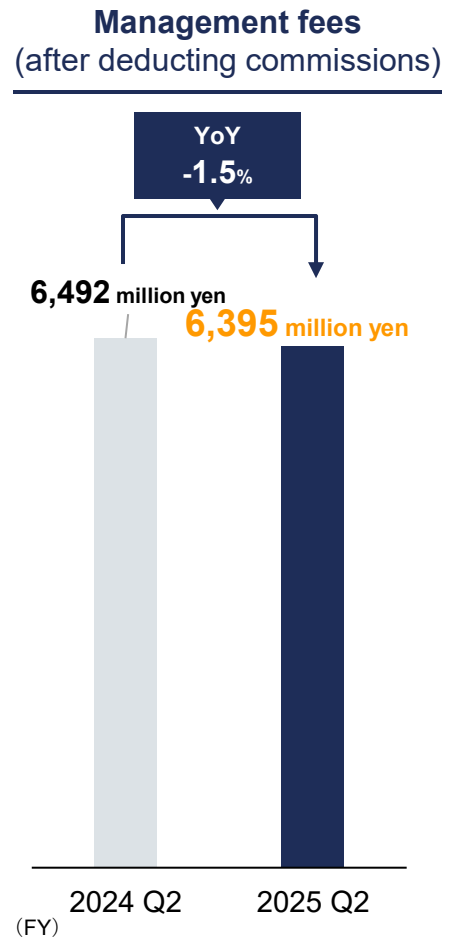
Decreased by 5.0% YoY due to a 2.8% increase in ordinary expenses including depreciation. In Q2, it reached an all-time high.



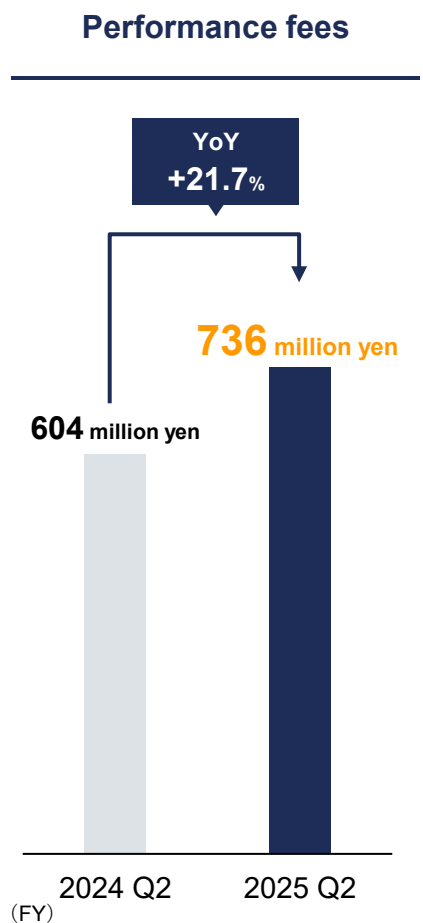
Increased by 12.8% compared to the end of the previous fiscal year. Driven in part by the stock market –Nikkei Stock Average reaching a year-to-date high.



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



Cumulative figures through Q2 decreased by 1.5%, mainly due to a decline in management fees for investment trusts following the market downturn in Q1 2025. In Q2, it reached an all-time high.



Increased by 21.7%, driven mainly by Japanese equity amid favorable market conditions.

■ Summary of Financial Results

- Revenue was down slightly year-on-year; operating profit rose modestly; after recognizing extraordinary gains, net profit increased substantially year-on-year."

- Operating revenue 8,641 million yen (decrease by 0.9%)
- Operating profit 3,678 million yen (increase by 0.5%)
- Ordinary profit 3,652 million yen (decrease by 0.7%)
- Profit attributable to owners of parent 2,880 million yen (increase by 26.1%)

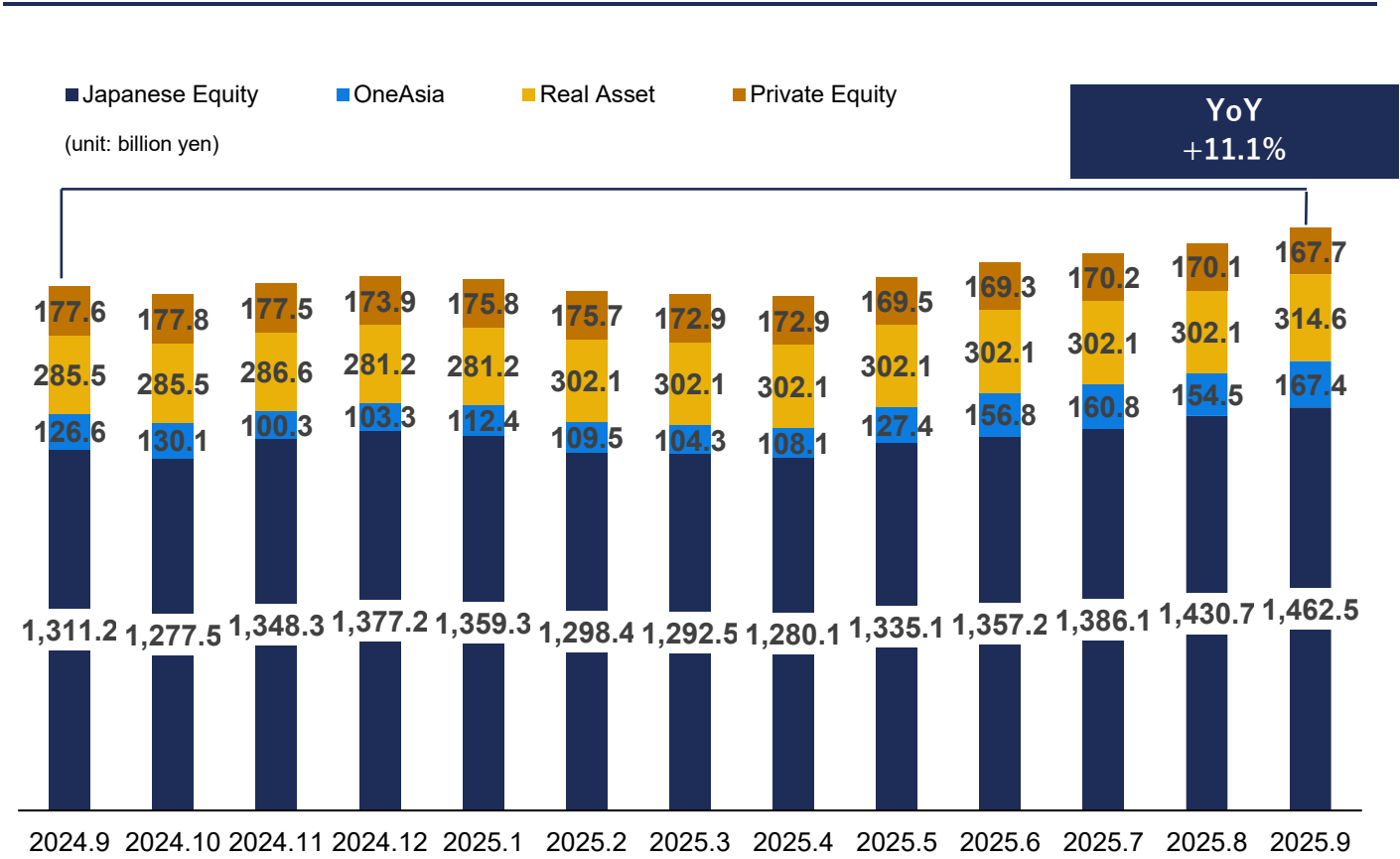
- Performance fee of 736 million yen was recorded (Increased by 21.7%)
- Operating and general administrative expenses totaled 4,962 million yen, partly due to a decrease in commission expenses. (decreased by 1.8%)
- Management fee rate 0.65% (decreased by 0.03 points), Operating profit margin is 42.6% (increased by 0.6%), ROE is 16.9% (increased by 2.4 points)

FY2025 Q2 Trends in AUM



AUM at this quarter-end increased by 11.1% year-on-year, driven in part by the stock market. Average AUM rose 3.7% year-on-year. AUM for Japanese equity and real assets increased year-on-year, while AUM for private equity decreased.

monthly AUM trends



Average AUM

	FY2024 Q2	FY2025 Q2	Rate of change
(unit: billion yen)			
Average AUM (for six months) ※	1,923.4	1,995.5	+3.7%

※AUM (for 6 months) = FY 2025 Q2 (April to Sep. 2025) Total AUM ÷ 6 months

(Reference) Various Market Indexes

	Year-ended March 31, 2025	Quarter-ended Sep 30, 2025	Rate of change
Nikkei 225	35,617	44,932	+26.2%
TOPIX	2,658	3,137	+18.0%
KOSPI Index	2,481	3,424	+38.0%
KOSDAQ Index	672	841	+25.1%
HK Hang Seng Index	23,119	26,855	+16.2%

FY2025 Q2 Consolidated Financial Highlights



Operating profit increased by 0.5% as operating and general administrative expenses decreased by 1.8%, despite a 0.9% decline in operating revenue. Profit attributable to owners of parent increased by 26.1%, driven by extraordinary gains on the sales of investment securities recorded in Q1.

(Unit: million yen)	FY2024 Q2	FY2025 Q2	YoY change	
Operating Revenue	8,716	8,641	-74 (-0.9%)	Mainly due to a decline in the average AUM for investment trusts, resulting in a decrease in investment trust management fees, investment management fees (before deduction of commissions paid) decreased by 169 million yen to 7,842 million yen. (Please refer to Page 31 for further information)
Operating and general administrative expenses	5,055	4,962	-92 (-1.8%)	
Operating profit	3,660	3,678	+18 (+0.5%)	Mainly due to a reduction in commission paid for publicly offered investment trusts.
Ordinary profit	3,676	3,652	-24 (-0.7%)	
Profit attributable to owners of parent	2,284	2,880	+596 (+26.1%)	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 during Q1. ROE is 16.9%.
ROE	14.5	16.9	+2.4pt	

FY2025 Q2 Consolidated Balance Sheet



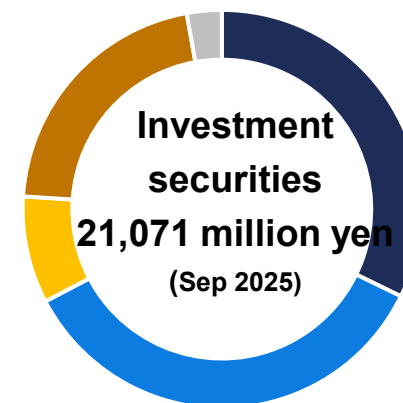
The industry the Company belongs to is significantly influenced by economic and market conditions. Thus, the balance is kept as few years' worth of ordinary expenses level which calculated by "cash and cash equivalent" plus highly liquidity such as "investment securities." (note1) While maintaining the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

	FY2024 (March 31, 2024)	FY2025 (Sep 30, 2025)	Change
(Unit: million yen)			
Current assets	26,631	25,631	(1,000)
Cash and cash equivalent	21,385	18,929	(2,456)
Non-current assets	23,307	24,839	+ 1,531
Investment securities	19,468	21,071	+ 1,603
Total assets	49,939	50,470	+ 530
Current liabilities	7,988	11,574	+ 3,586
Non-current liabilities	8,443	4,156	(4,286)
Net assets	33,507	34,738	+ 1,231
Total liabilities and net assets	49,939	50,470	+ 530
Equity ratio	67.1%	68.8%	+ 1.7 pt

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

Increased mainly due to market value

Change primarily due to the accounting reclassification of 5.0 billion yen of long-term borrowings to short-term borrowings as their maturities fell within one year.



■ Japanese Equity ■ OneAsia ■ Real Assets ■ Private Equity ■ Others

Unrealized gain (note2)
4,390 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.

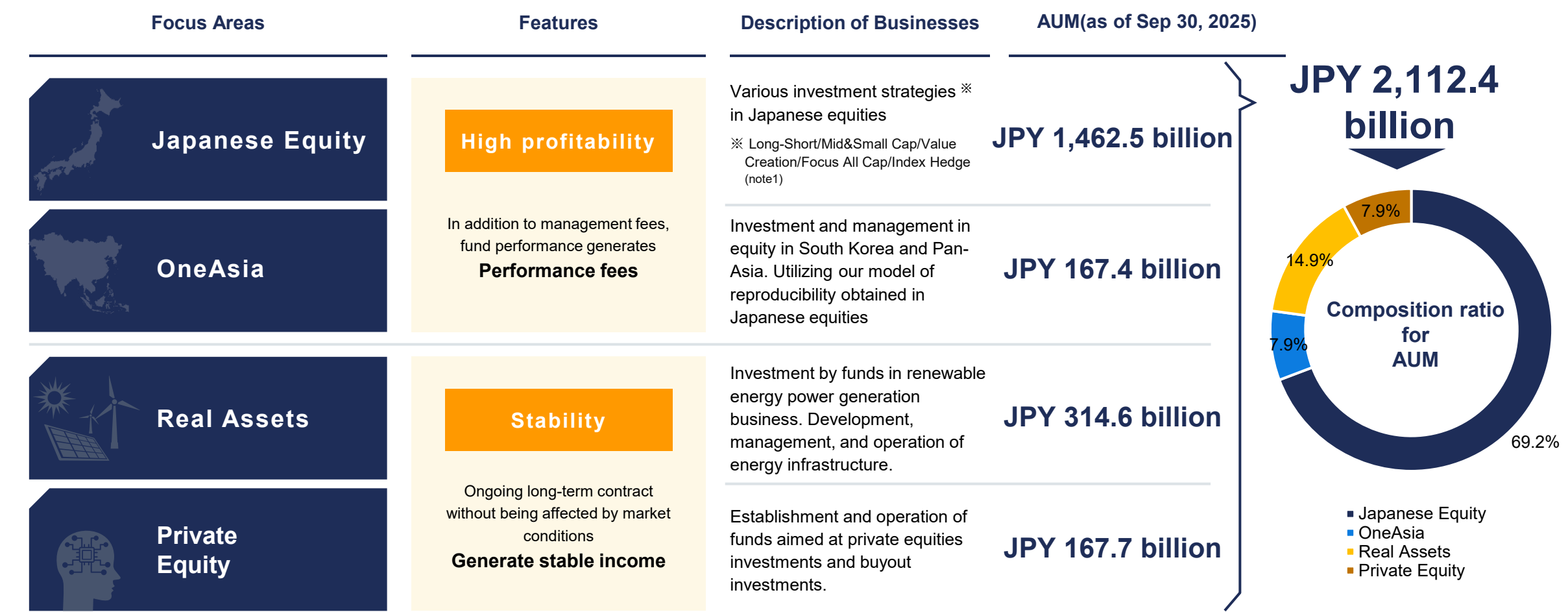
03.

Overview of Four Pillars

Four Pillars of Growth



We have set "Japanese Equities," "OneAsia," "Real Assets," and "Private Equity" as focus areas so called "four pillars". Achieve both high profitability and stability by expanding each of the four pillars based on strengths of thorough individual company research and the uniqueness of selecting investment targets.



(note1)The name of investment strategy has changed to Index Hedge Strategy. This used to be disclosed as Market Neutral investment strategy.

Please be sure to read the appendix attached at the end of this document.

Overview of Japanese Equity Investment Strategy



AUM rose 13.2% on strong stock-market performance.

AUM growth was led by focus all cap and mid & small cap strategies.

	AUM		
	March 31, 2025	Sep 30, 2025	change
(Unit: 100 million yen)			
Long-Short Strategy	1,061	1,124	+ 63 (+ 6.0%)
Focus All Cap Strategy	8,040	9,190	+ 1,149 (+ 14.3%)
Mid & Small Cap Strategy	3,021	3,520	+ 499 (+ 16.5%)
Index Hedge Strategy*	90	82	△8 (△9.5%)
Value Creation Strategy	711	707	△3 (△0.5%)
Total	12,925	14,625	+ 1,700 (+ 13.2%)
Nikkei 225	35,617	44,932	+ 26.2%
TOPIX	2,658.73	3,137.60	+ 18.0%

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

● Overview of AUM

- 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 focus all cap and mid & small cap strategies delivered strong performance

● Performance fees

- FY2025 Q2 (April to September)
720 million yen (increase by 19.2% YoY)

● Key Initiatives for the Second Half of the Year

- (Overseas institutional investors)
 - Growing interest in Japanese equities across Europe and Asia, and we will intensify targeted marketing activities in those regions. We plan to launch new overseas funds.
- (Investment trust)
 - Attract inflows into existing products, we will strengthen collaboration with securities firms and branches of regional banks.

Overview of OneAsia Investment Strategy

Korean equities continues to deliver strong performance.

Overall AUM increased by 60.5% compared to the end of previous fiscal year.

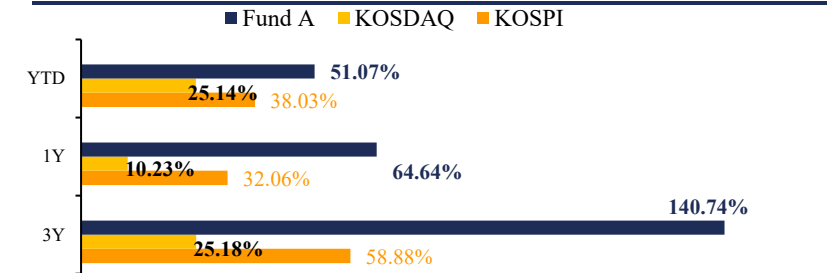
We will strive to maintain strong performance and aim to further expand our AUM.

	AUM		
	March 31, 2025	Sep 30, 2025	change
(Unit: 100 million yen)			
South Korea	950	1,571	+620 (+65.3%)
Pan-Asia	92	103	+10 (+11.3%)
Total	1,043	1,674	+631 (+60.5%)
KOSPI Index	2,481	3,424	+38.0%
KOSDAQ Index	672	841	+25.1%
HK Hang Seng Index	23,119	26,855	+16.2%

Overview of AUM

- Continue to deliver strong performance

Fund performance for South Korea-domiciled funds* (Up to Sep 2025)



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

Performance fees

- Not recognized

Key Initiatives for the Second Half of the Year

(Overseas institutional investors)

Interest in Korean equities is rising, mainly in the United States and Asia. We are strengthening efforts to establish new funds.

(Investment trust)

「SPARX New Global Blue Chip Japan-Asia Equity Fund」 is differentiated; we will strengthen sales efforts to regional banks and other distributors to drive fund inflows.

Note: Please be sure to read the additional materials appended to the end of this presentation

Overview of Real Asset Investment Strategy (1)



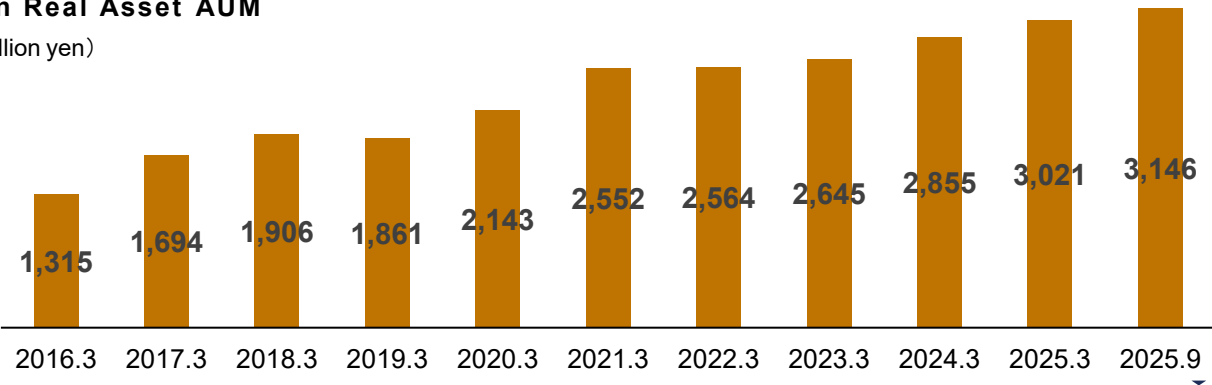
Promote investing in renewable power generation businesses, including solar power generation, at 348 locations^{※1} in Japan. From March 2025, we began participating in the battery-storage business, starting with a project in Sapporo and expanding sequentially.

※ 1 as of September-end 2025

	AUM		
	March 31, 2025	Sep 30, 2025	change
(Unit: 100 million yen)			
Renewable Energy Power Station Investment	3,021	3,146	+124 (+4.1%)
Total	3,021	3,146	+124 (+4.1%)

● Trend in Real Asset AUM

(Unit: 100 million yen)



● Overview of AUM

- Initiated investments in two battery-storage projects (Mito, and Hamamatsu)

● Performance fees

- FY2025 Q2 (April to September)
Acquisition fee 15 million yen (No amount was recorded in the same period of the prior year)

● Key Initiatives for the Second Half of the Year

(Battery Storage Facilities)

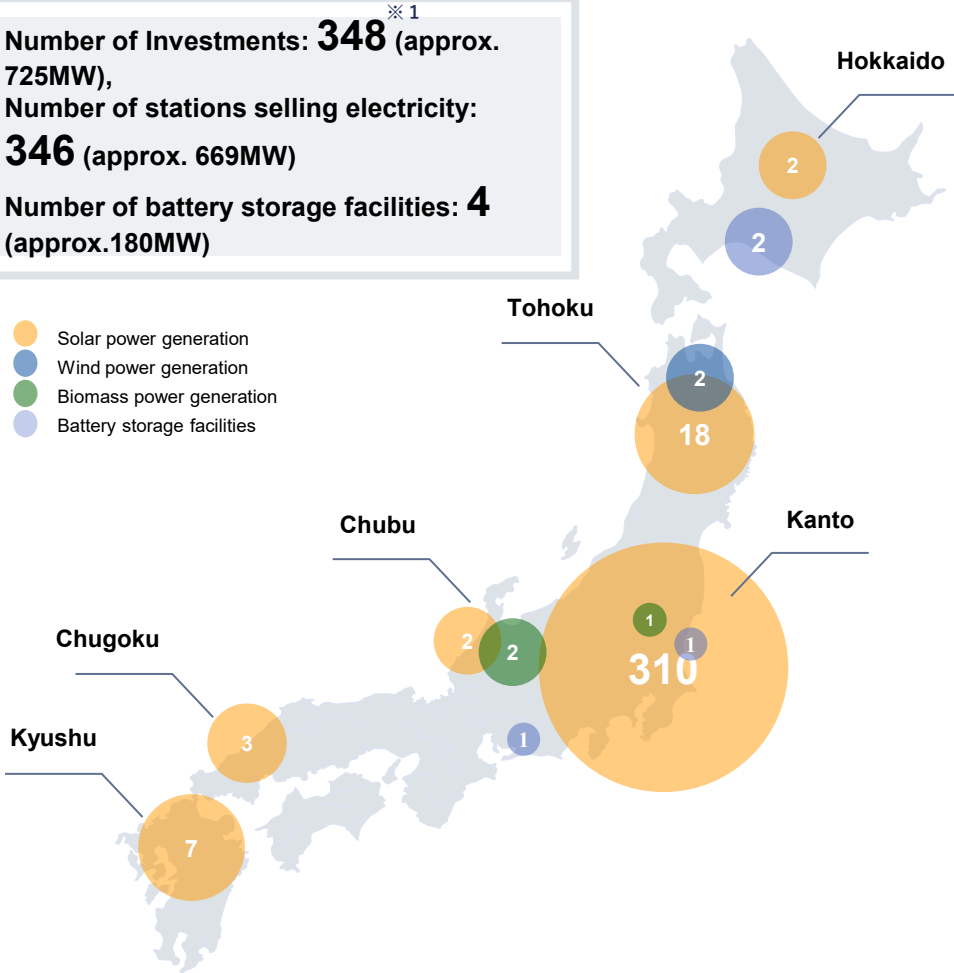
- Utilizing over 11 years of know-how in renewable energy and a wide network spanning project sourcing, development, and operations, we are promoting investment in the increasingly in-demand energy storage business

(New Investment Area)

- Aiming to expand our scope from renewable energy into the GX sector, we are strengthening project sourcing in Hokkaido — a region with GX potential among the nation's highest — to establish a new investment area

Renewable energy power generation facilities

※ 1
Number of Investments: **348** (approx. 725MW),
Number of stations selling electricity: **346** (approx. 669MW)
Number of battery storage facilities: **4** (approx. 180MW)



SPARX to Engage in Battery Storage Projects in Mito and Hamamatsu Cities

Participated in battery storage projects in Mito City (Ibaraki Prefecture) and Hamamatsu City (Shizuoka Prefecture) together with Kansai Electric Power Co., Inc. and JA Mitsui Lease Co., Ltd. The collaboration with the two companies is the same as the battery storage project in Sapporo, Hokkaido announced back in March 2025. In addition to the investment from SPARX, SPARX Green Energy & Technologies, Co., Ltd. will provide developmental, financing, and operational support for both storage facilities, aiming to work in the capacity, wholesale electricity exchange, and supply-demand adjustment markets.



Location	Kawawada-cho, Mito, Ibaraki	Irino-cho, Chuo Ward, Hamamatsu, Shizuoka
Rated outputs	50MW	30MW
Rated capacities	175.5MWh	110.3MWh
Date for commercial operations	June 2029 (scheduled)	June 2028 (scheduled)
Investors	Kansai Electric Power Co., Inc./JA Mitsui Leasing, Ltd./SPARX Group Co., Ltd.	Kansai Electric Power Co., Inc./JA Mitsui Leasing, Ltd./SPARX Group Co., Ltd.

※ 1 as of Sep 30, 2025
(Note) the above number of investments does not include the number of power generation plants owned by consolidated subsidiaries.

<https://ssl4.eir-parts.net/doc/8739/tdnet/2690253/00.pdf>

Overview of Private Equity Investment Strategy (1)

Investor distributions progressed for Mirai Creation Fund I and Space Frontier Fund I, resulting in a decline in AUM.
Mirai Creation Fund and Japan Monozukuri Mirai Fund are advancing efforts to form successor funds.

(Unit: 100 million yen)	AUM		
	March 31, 2025	Sep 30, 2025	change
Mirai Creation Funds (I, II, III) <VC>	1,052	1,044	-7 (-0.7%)
Space Frontier Funds (I, II) <VC>	223	186	-36 (-16.4%)
Japan Monozukuri Mirai Fund (I) <BO>	168	168	- (-%)
Others (2 funds) <VC>	286	278	-8 (-2.8%)
Total	1,729	1,677	-52 (-3.0%)

* VC = Venture Capital Fund BO = Buyout Fund

Overview of AUM

Steadily sourced investment opportunities – one IPO

(New Investment executed)

- **Mirai Creation Fund III 6**
- **Space Frontier Fund II 2**

(IPO)

- **Space Frontier Fund I one IPO**
Axelspace Holdings Corporation

Performance fees

Not recognized.

Mirai Creation Fund I recorded its first performance fee of 800 million yen in the previously fiscal year (fiscal year ended March 2025)

Key Initiatives for the Second Half of the Year

(Launching successor funds)

- **Preparing for launching Mirai Creation Fund IV**

Began offering proposals to domestic business companies and both domestic and overseas institutional investors

- **Preparing for launching Japan Monozukuri Mirai Fund**

Started market sounding regarding the formation of a new fund

Overview of Private Equity Investment Strategy (2) AUM growth strategy



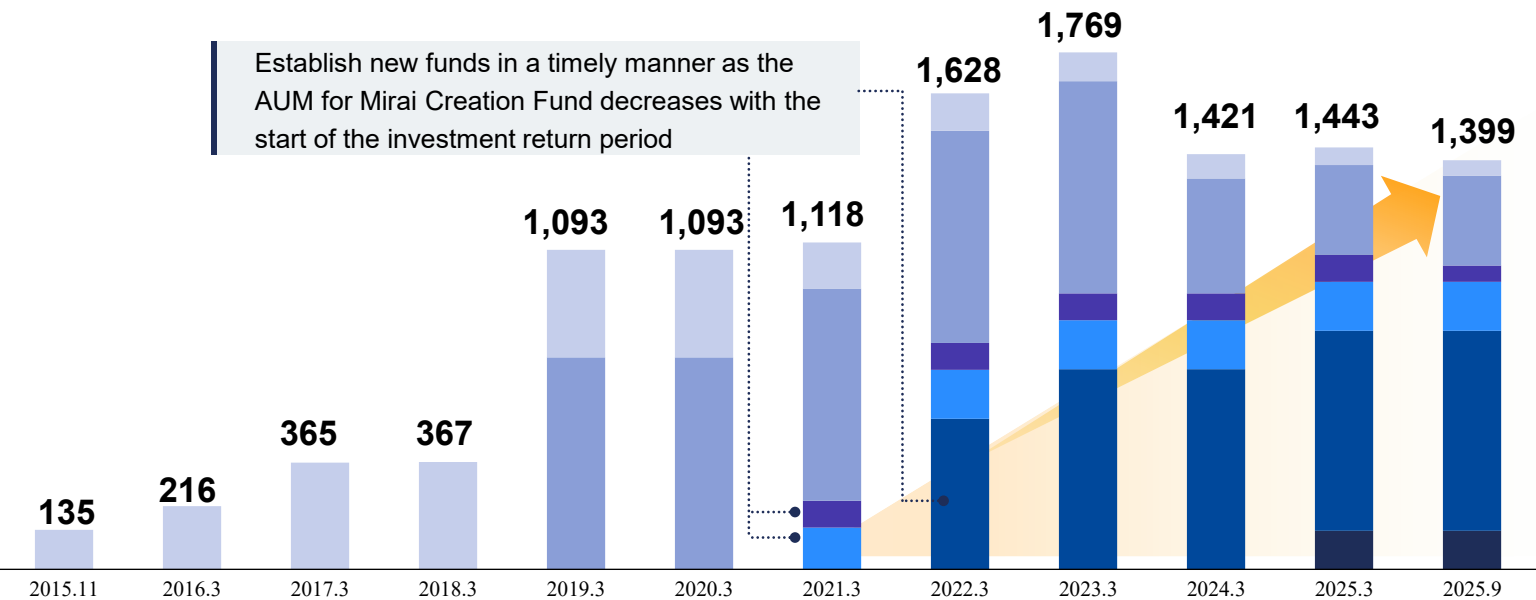
The private equity investment strategy manages multiple funds. Our dual-tracking approach addresses the ongoing decline in AUM caused by portfolio companies’ exits from induvial funds during the investment return period by establishing new funds, thereby allowing overall AUM to grow.

(Unit:100 million yen)

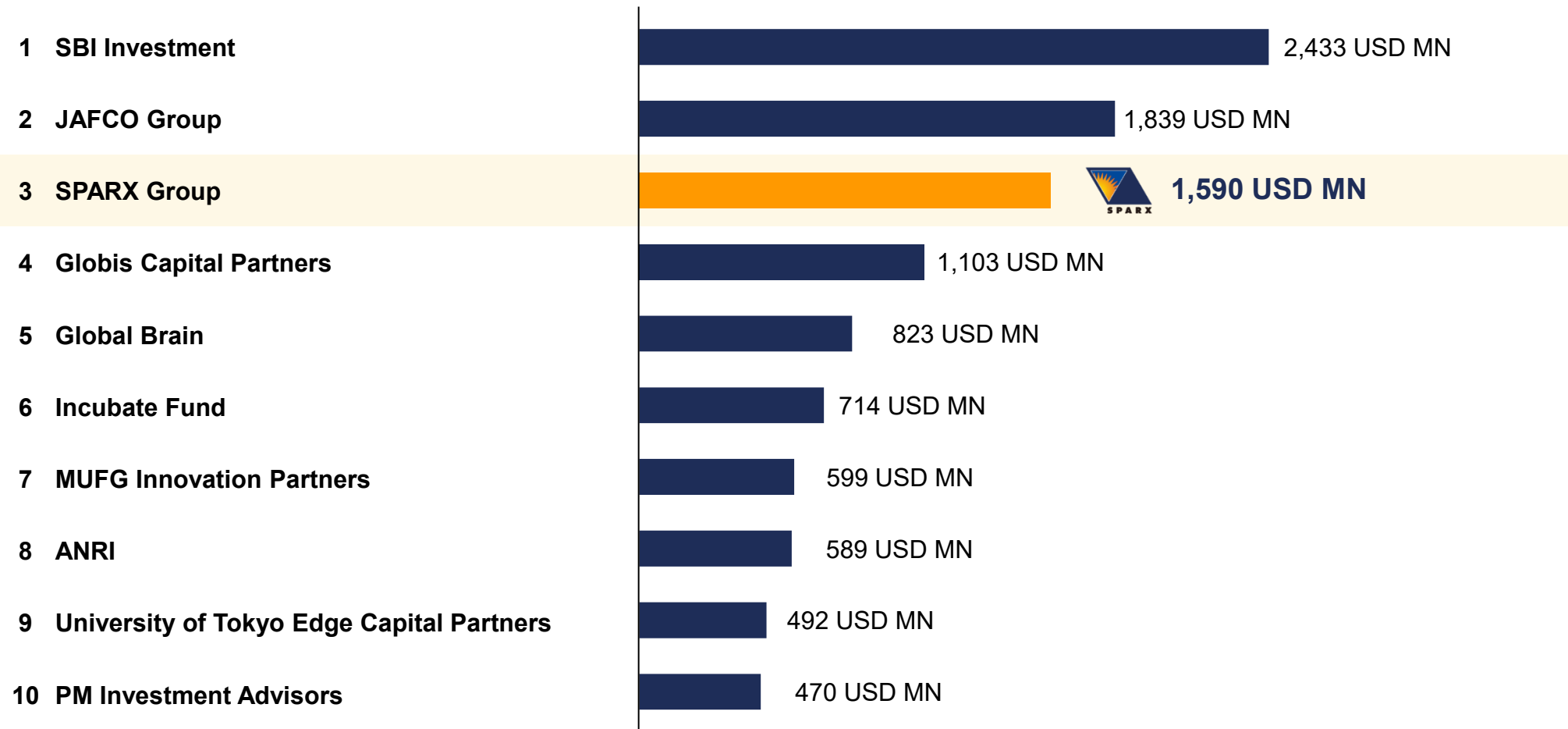
Name of Funds	Investment Commitment Amount	Contracts scheduled to expire	Investment Period • Return on Investment Period	
Mirai Creation Fund I	367	2026/11	Investment period (2015.11~)	Return on investment period
Mirai Creation Fund II	726	2028/7	Investment period (2018.7~)	Return on investment period
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)



■ Ranking for domestic venture capital procurement scale



(Source) Preqin Database and created by SPARX (as of October 28, 2025)

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

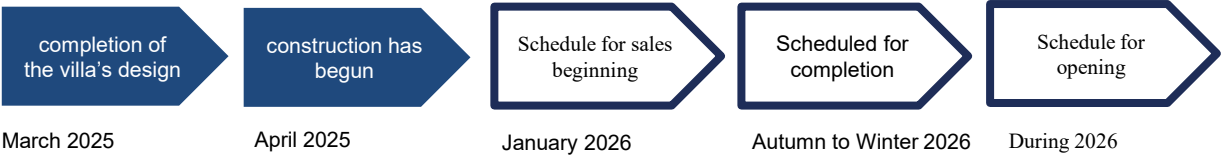
(Reference) Progress on the Niseko Villa Project



Beginning in October 2025, we are planning to create new investment opportunities based in Hokkaido and are undertaking luxury villa development in the Niseko area. Targeting both domestic and international high-net-worth individuals. Construction is progressing smoothly, and sales are scheduled to begin in 2026.

Progress on the Niseko Villa project

In preparation for sales beginning January 2026, construction of four luxury villas and one management building is progressing smoothly. Sales will be primarily targeted at high-net-worth individuals from Asia.



As of when construction started



As of October 2025



Concept Image (Autumn to Winter 2026)



(above) panoramic view of villas
(middle) image of rooftop
(below) image of living room



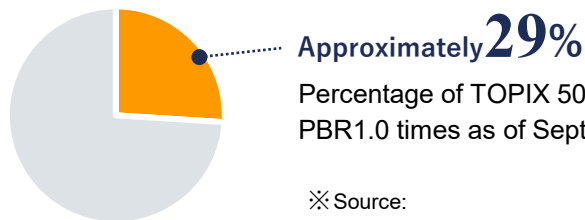
04.

Appendix

The outlook for the market is optimistic, and it is expected that investment funds will flow stably into the Japanese Equity Investment Strategy and OneAsia Investment Strategy.

Japanese Equity

- In March 2023, the Tokyo Stock Exchange requested listed companies to take in response to “Action to implement management that is conscious of cost of capital and stock price”
- Japanese companies have a lot of room for growth due to the fact that the % of firms with less than PBR1.0 times in Japan still relatively high compared to the market in the United States and Europe



It is assumed that each company will continue to focus on enhancing its corporate value, and investors’ attention on Japanese equities is also expected to remain high and stable.

OneAsia

- High economic growth is expected to continue in the Asian regions, especially in India and Indonesia, where we are cultivating them as core funds

Outlook for Real GDP Growth in the Asian Region			
	2024	2025 (outlook)	2026 (outlook)
Asian region	5.3%	4.5%	4.6%
India	6.5%	6.2%	6.3%
Indonesia	5.0%	4.7%	4.7%
(reference) World GDP	3.3%	2.8%	3.0%

※Source: released on April 2025 “World Economic Outlook” by IMF (International Monetary Fund)

Finding companies with high potential in high-growth markets can be expected.

Capital inflows are expected to increase for real asset investment strategies and private equity investment strategies, with tailwind from the Japanese government policy

Real Assets

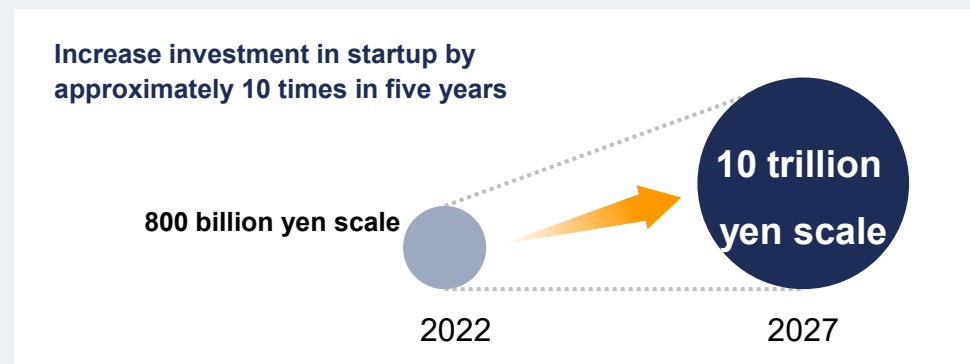
- At the 28th meeting of the conference of the Parties to the UNFCCC (COP28), the goal was set to triple renewable energy capacity globally by 2030
- METI (The Ministry of Economy, Trade and Industry) also set numerical targets for switching to renewable energy sources.

2011	2022	2040 goal
10.4% (113.1 billion kWh)	21.7% (218.9 billion kWh)	40-50%

Social needs for renewable energy remain high, and the promotion of renewable energy is expected to continue on a nationwide scale.

Private Equity

- METI launched and started “Five-Year Startup Plan”



- The space strategy fund has been established in JAXA
Aiming to contribute ¥1 trillion to companies and universities in 10 years to strengthen security

Numerous policies have been formulated by the government for the development and collaboration of venture companies, and it is expected that the base and scale of venture companies will expand

Consolidated Earnings Summary (based on management indicators)



		FY2024		FY2025	
		Q2	Full year	Q2	YoY change
Average AUM	(Billions of yen)	1,923.4	1,912.2	1,995.5	+3.7%
Management fee rate (After deducting commissions)	(%)	0.68%	0.67%	0.65%	-0.03
Management fees (After deducting commissions)	(Millions of yen)	6,492	12,867	6,395	-1.5%
- Ordinary expenses	(Millions of yen)	2,918	6,144	3,001	+2.8%
Base earnings	(Millions of yen)	3,573	6,722	3,393	-5.0%
Performance fees	(Millions of yen)	604	1,897	736	+21.7%
Percentage of AUM eligible to earn performance fees	(%)	34.8%	35.1%	32.1%	-2.7
Other operating revenue	(Millions of yen)	99	205	62	-36.6%
- Bonuses (Including ESOP Expense)	(Millions of yen)	583	1,068	511	-12.3%
- Amortization of goodwill	(Millions of yen)	27	27	-	-
Operating profit	(Millions of yen)	3,660	7,717	3,678	+0.5%
Profit attributable to owners of parent	(Millions of yen)	2,284	5,252	2,880	+26.1%
Return on equity	(%)	14.5%	16.2%	16.9%	+2.4

(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.

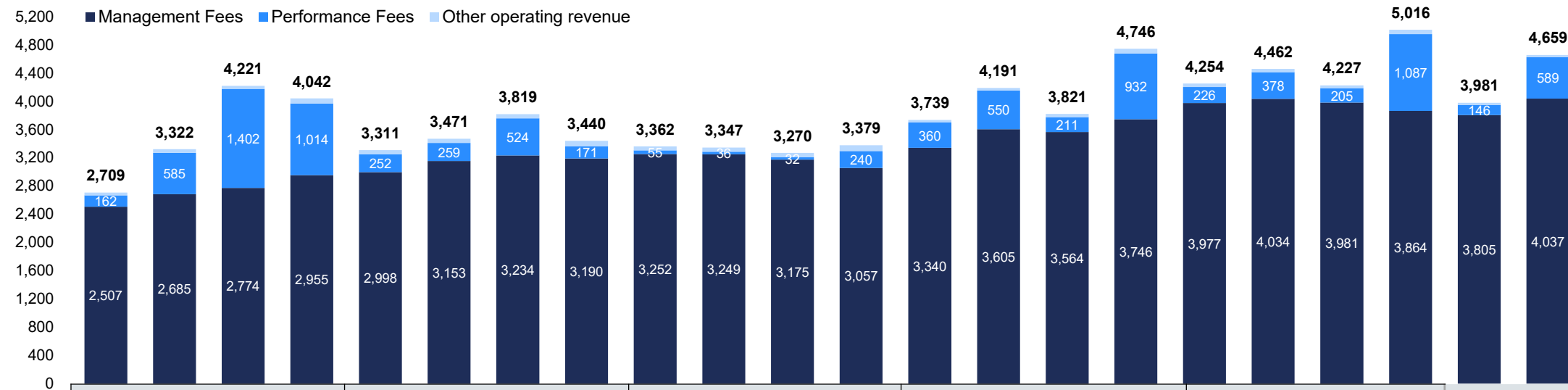
(Note 3) Percentage of AUM eligible to earn performance fees show the ratio of AUM with performance fee to the total AUM at the end of the specified period.

Quarterly Trends in Operating Revenue



(Millions of yen)

■ Management Fees ■ Performance Fees ■ Other 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
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
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
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
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
(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
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%
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%
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

Breakdown of Operating and General Administrative Expenses

- Commission fee expenses decreased for publicly offered investment trusts.
- Depreciation expense increased mainly because of last year's office expansion.

	FY2024		FY2025	
	Q2	Full Year	Q2	YoY change
(Unit: Millions of yen)				
Commissions paid	1,526	3,003	1,449	-5.0%
Personnel exp.	1,802	3,498	1,765	-2.1%
Travel exp.	150	282	156	+3.9%
Property rent	159	323	172	+8.2%
Entrusted business expenses	582	1,225	573	-1.5%
Depreciation on fixed assets	96	237	164	+70.9%
Advertising exp.	65	163	70	+7.9%
Research exp.	217	443	224	+3.0%
Other expenses	455	1,065	386	-15.1%
Total: Operating and general administrative expenses	5,055	10,244	4,962	-1.8%
Ordinary expenses	2,918	6,144	3,001	+2.8%

(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.

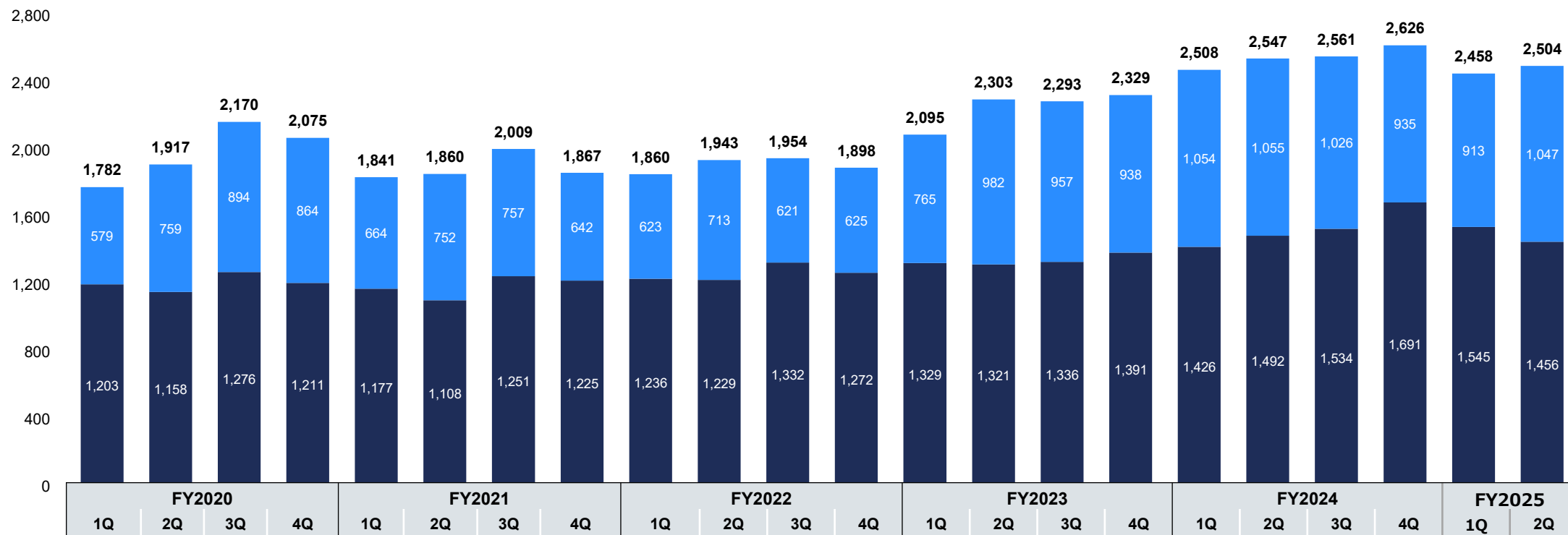
(Note3) The "Ordinary expenses" is calculated by deducting (1) Commissions paid, (2) Bonuses (including allowance for bonuses, legal welfare expenses related to bonuses, and ESOP expense) and (3) Severances package for key members, from total operating and general administrative expenses; hereinafter the same applies in this document.

Quarterly Operating and General Administrative Expenses



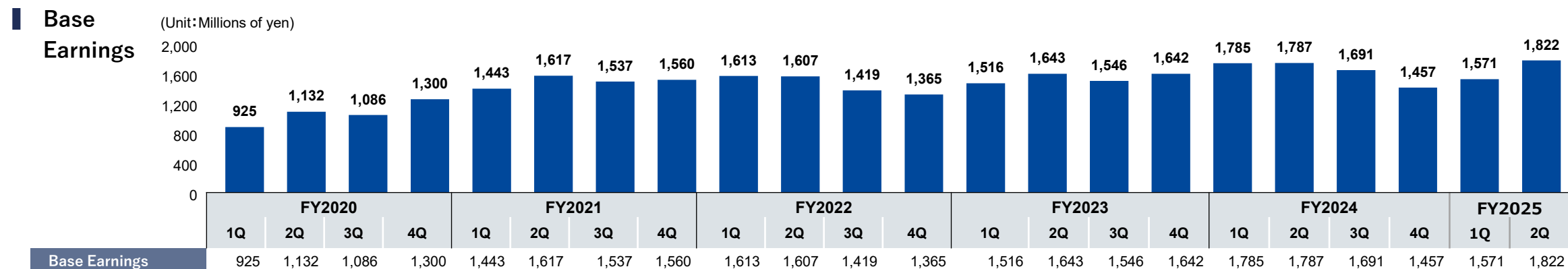
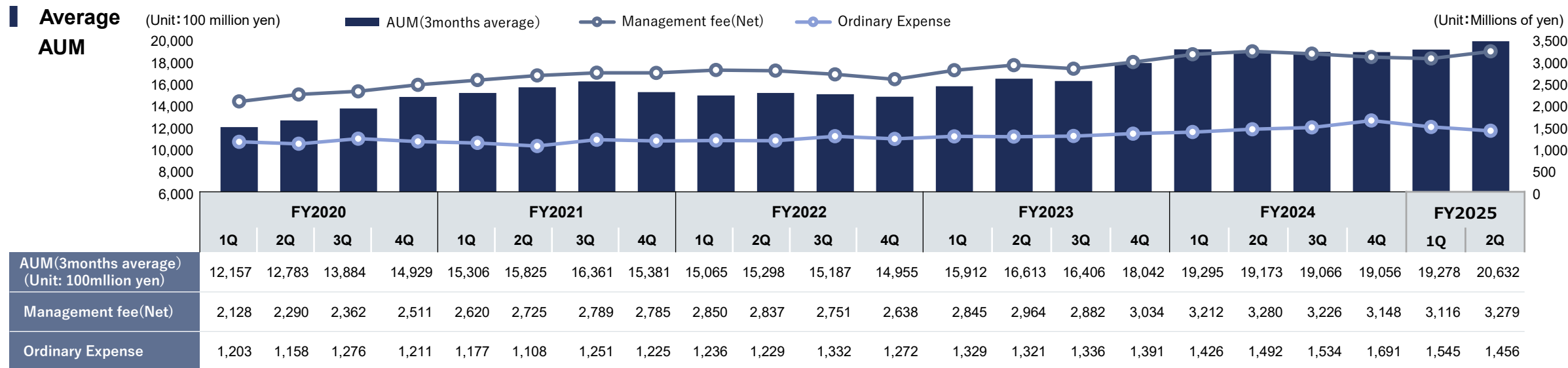
(Unit: million yen)

■ Ordinary expenses ■ Commissions paid & Bonuses



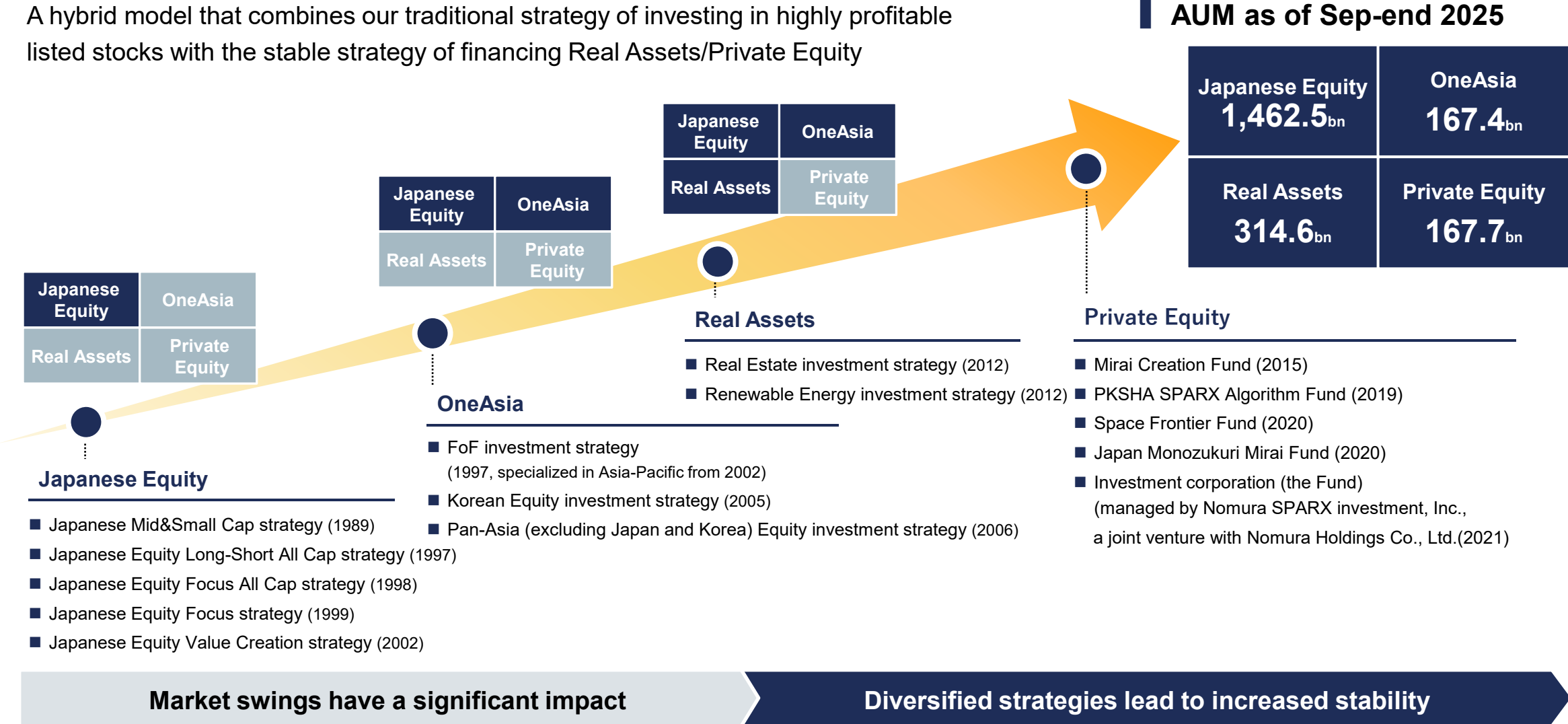
	FY2020				FY2021				FY2022				FY2023				FY2024				FY2025	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q
Ordinary expenses	1,203	1,158	1,276	1,211	1,177	1,108	1,251	1,225	1,236	1,229	1,332	1,272	1,329	1,321	1,336	1,391	1,426	1,492	1,534	1,691	1,545	1,456
Commissions paid & Bonuses 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
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

Quarterly Base Earnings



(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.

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



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.”



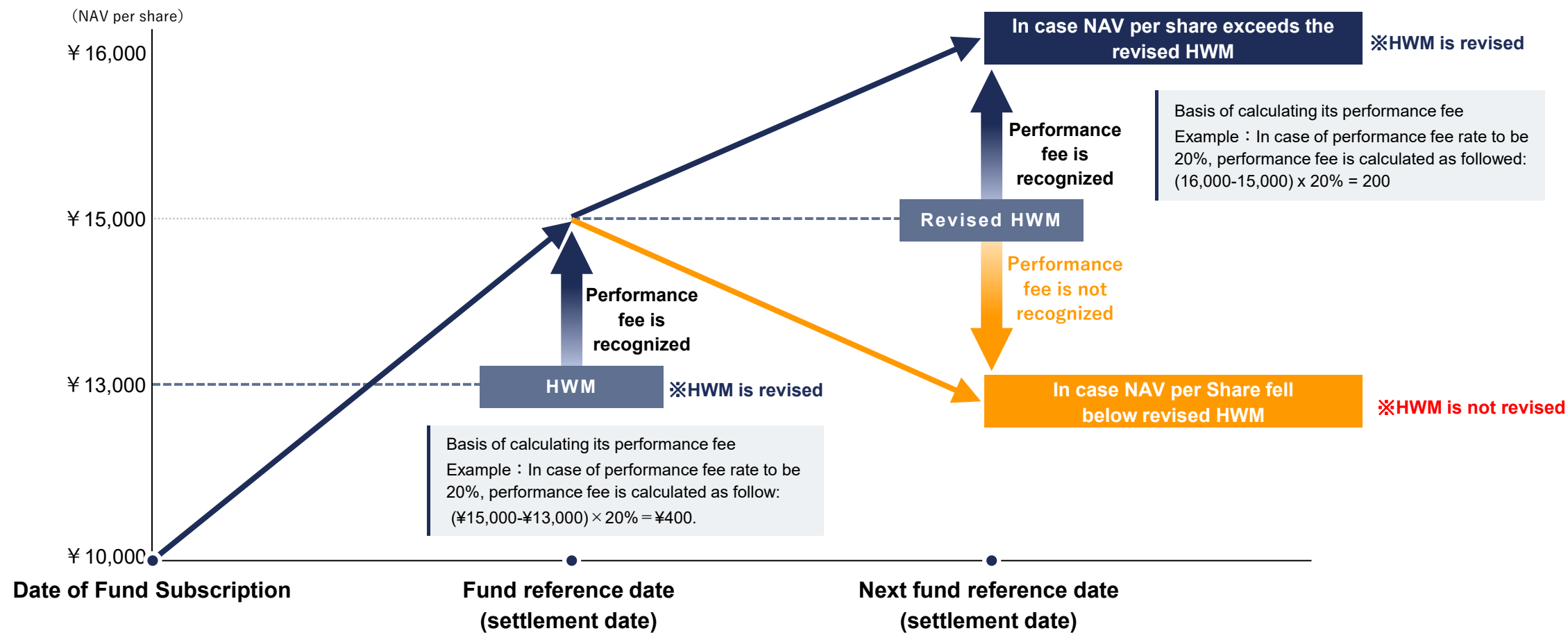
We have regularly held these study sessions since our founding as a way to convey SPARX's investment philosophy to the next generation



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)

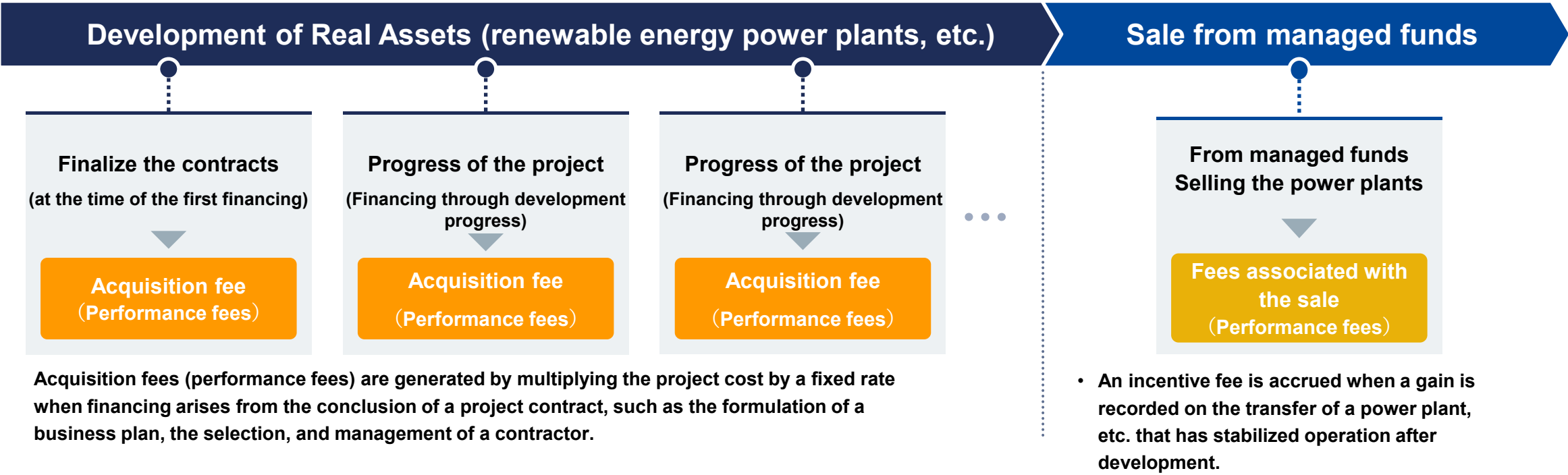


Performance fee consist mainly of 2 types

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

Green fund or Brown Fund

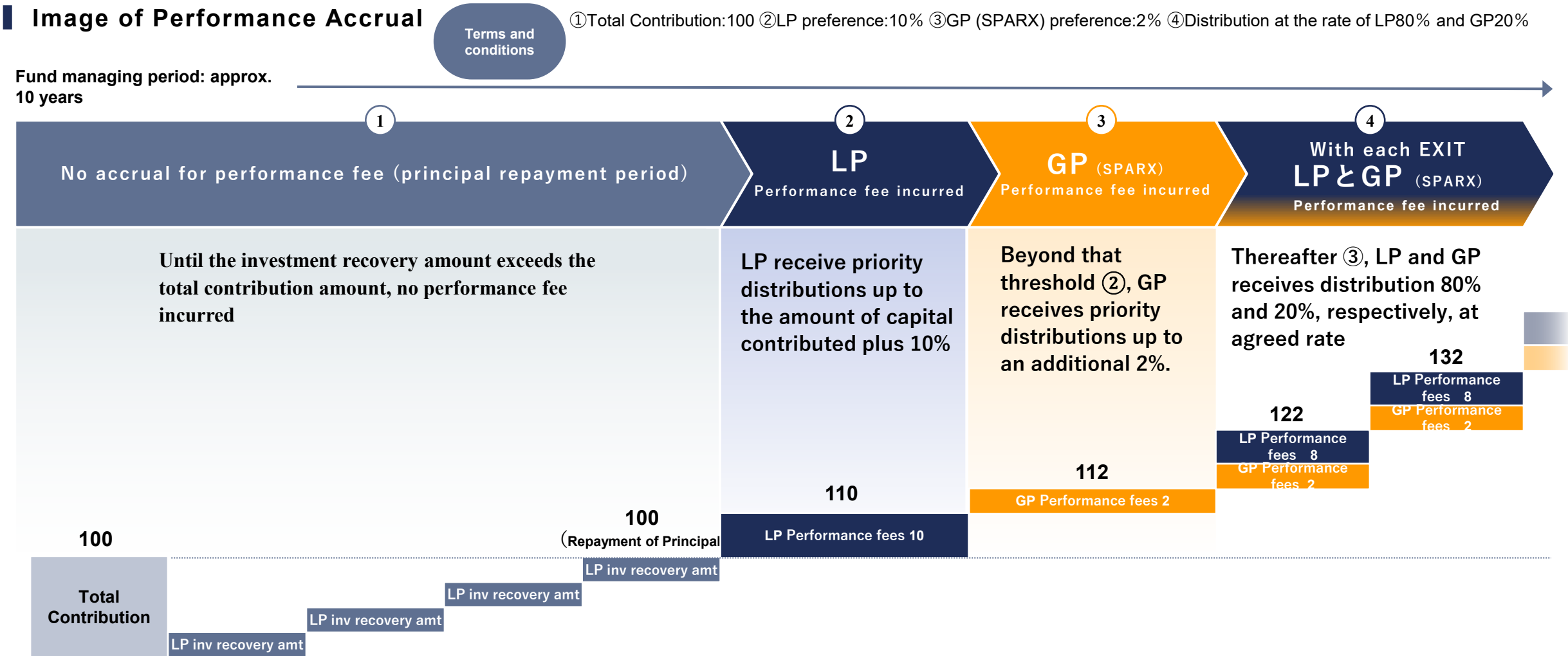


(Note 1) The structure described above is only for informational purposes on the performance fee structure. It is not intended to explain exactly how the performance fee is calculated.

Performance Fee Structure (Related to venture capital fund)



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



(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.

(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 Blossom Japan Index		FTSE 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	402 companies (As of Sep 30, 2025)		677 companies (As of Sep 30, 2025)		Approx. 1700 constituent stocks																				
Reference	https://www.lseg.com/en/ftse-russell/indices/blossom-japan																								
ESG Score	<table><tr><td colspan="2">FTSE ESG Score</td><td></td><td>(2024)</td><td>(2025)</td></tr><tr><td>E</td><td>3.4</td><td>▶</td><td>4.1</td><td></td></tr><tr><td>S</td><td></td><td></td><td>3.2</td><td>▶ 4.2</td></tr><tr><td>G</td><td></td><td></td><td>4.0</td><td>▶ 5.0</td></tr></table>					FTSE ESG Score			(2024)	(2025)	E	3.4	▶	4.1		S			3.2	▶ 4.2	G			4.0	▶ 5.0
FTSE ESG Score			(2024)	(2025)																					
E	3.4	▶	4.1																						
S			3.2	▶ 4.2																					
G			4.0	▶ 5.0																					

Japanese Equity Active Long-Only investment strategy



(Annualized Return)

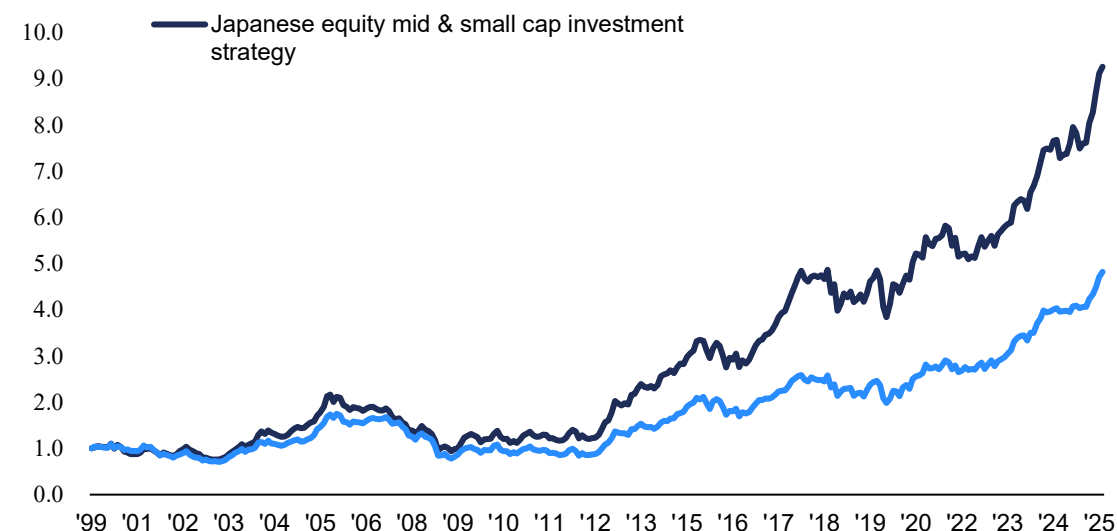
Japanese equity active long-only investment strategy	11.38%	Reference Index	TOPIX (Dividend included)
Reference Index	4.60%	Measurement Period	1997/5 ~2025/9
Excess Return	6.78%	Volatility of Composite Return (Annualized)	19.27%

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

Source: SPARX Asset Management Co., Ltd. (as of Sep 30, 2025)

※ Please be sure to read the additional materials appended to the end of this presentation.

Japanese Equity Mid & Small Cap investment strategy

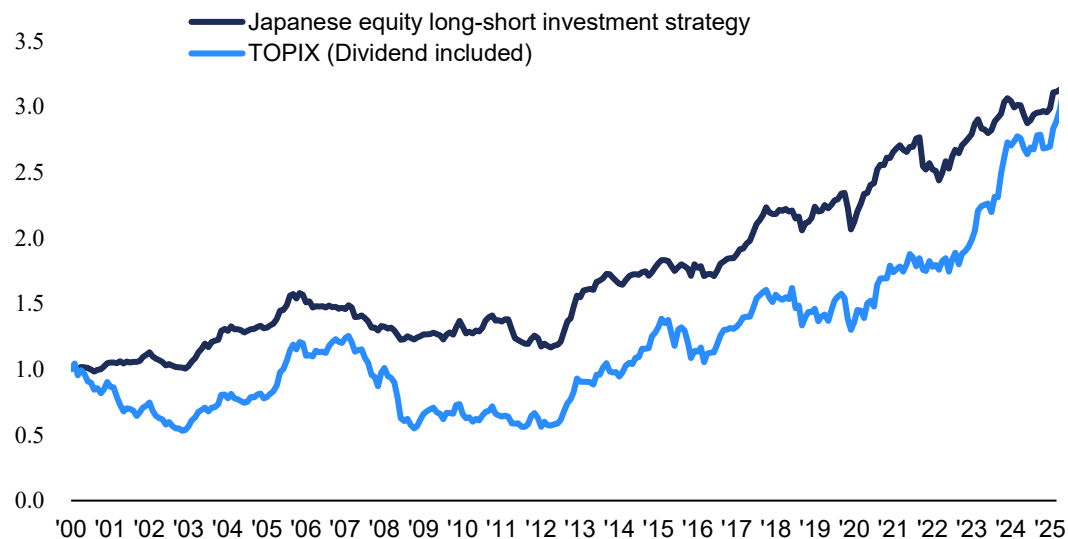


(Annualized Return)

Japanese equity mid & small cap investment strategy	9.03%	Reference Index	Russell/Nomura Mid-Small Cap Index
Reference Index	6.30%	Measurement Period	2000/1 ~2025/9
Excess Return	2.73%	Volatility of Composite Return (Annualized)	16.81%

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

Japanese Equity Long-Short investment strategy



(Annualized Return)

Japanese equity long-short investment strategy	4.64%	Reference Index	TOPIX (Dividend included)
Reference Index	4.71%	Measurement Period	2000/6~2025/9
Excess Return	-0.07%	Volatility of Composite Return (Annualized)	7.37%

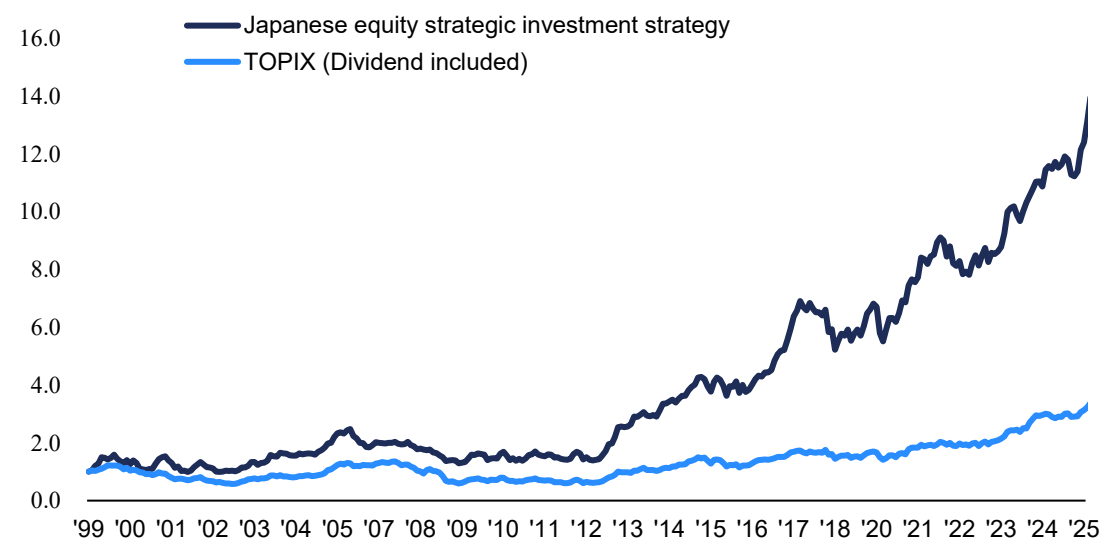
※Performance is shown gross of fees.

※The base currency is the Japanese Yen.

Source: SPARX Asset Management Co., Ltd. (as of Sep 30, 2025)

※ Please be sure to read the additional materials appended to the end of this presentation.

Japanese Equity Strategic investment strategy



(Annualized Return)

Japanese equity strategic investment strategy	10.59%	Reference Index	TOPIX (Dividend included)
Reference Index	4.86%	Measurement Period	1999/7~2025/9
Excess Return	5.73%	Volatility of Composite Return (Annualized)	18.84%

※Performance is shown gross of fees.

※The base currency is the Japanese Yen.

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■ Composite details

- A detailed account of all composite lists and other content from the firm is available upon request.
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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. These management-caused losses wholly belong to all beneficiaries.
- 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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