

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

May 31, 2022

For Immediate Release

SPARX Group Co., Ltd.
LINE Securities Corporation
Nomura Securities Co., Ltd.

Issuing the First Publicly Offered Digital Retail Bonds
Under a Framework from Japanese Corporations

TOKYO—May 31, 2022—SPARX Group Co., Ltd. (“SPARX”), in cooperation with LINE Securities Corporation (“LINE Securities”), BOOSTRY Co., Ltd. (“BOOSTRY”), and Nomura Securities Co., Ltd. (“Nomura Securities”), announces that it will issue digital retail bonds as a public offering (the “Digital Bonds”). This first offering under a framework from Japanese corporations will be available on BOOSTRY’s platform.

1. Background

With the mission of “making the world wealthier, healthier, and happier (through our unique investments),” SPARX is committed to introducing to Japanese retail investors genuine investment opportunities developed through our relationships with the world’s most prestigious institutional investors. The firm encourages retail investors, especially the younger generation, to start medium- to long-term asset-building while time is on their side. To this end, SPARX planned to issue these Digital Bonds to inspire retail investors to start investing in corporate bonds and other relatively low-risk financial instruments, sparking future interest in investments.

This project should also create an environment in which retail investors can access various financial products and expand more in the future. SPARX intends to develop the market by issuing these Digital Bonds.

LINE Securities’ clients consist mainly of young adults. It hopes to further expand its client base by offering investment opportunities with digital bonds, allowing investments to be completed through the LINE platform and in smaller amounts than retail corporate bonds.

By offering security tokens leveraging digital, Nomura Securities intends to expand its investor base in collaboration with its group companies and business partners, including LINE Securities and BOOSTRY.

2. Features of the Digital Bonds

These are the first publicly offered digital retail bonds from Japanese corporations. Under this framework, Nomura Securities will underwrite the Digital Bonds while LINE Securities will distribute them. Using BOOSTRY’s advanced technologies and Nomura Securities’ expertise in financial technology, the

framework will promote advanced financial products in smaller investment units optimized for LINE Securities' clients. Moreover, unlike conventional corporate bonds, the Digital Bonds can reach investors through LINE Securities. Through this connection to a new investor demographic, SPARX is considering posting regular news and videos to inform investors about how companies use the capital from these Digital Bonds and share about SPARX's investment philosophy.

This approach of issuing small-lot digital bonds and communicating with investors through LINE Securities should convey the appeal of SPARX's investment practices and, as a result, raise the firm's name recognition.

3. Roles of each company in issuing the Digital Bonds

Each company will take the following roles in the bond issue.

Company name	Primary roles
SPARX	<ul style="list-style-type: none"> • Planning the framework and marketing campaign • Conducting IR activities for the bondholders
LINE Securities	<ul style="list-style-type: none"> • Selling the Digital Bonds • Paying interest and handling redemptions
Nomura Securities	<ul style="list-style-type: none"> • Providing financial advice, including for building the framework • Underwriting the Digital Bonds

■ SPARX Group Overview

Company name: SPARX Group Co., Ltd.

Address: Shinagawa Season Terrace, 1-2-70 Konan, Minato, Tokyo

Representative: President and Group CEO Shuhei Abe

Business activities: Securities & commodity futures trading

Date of establishment: June 1988

■ LINE Securities Overview

Company name: LINE Securities Corporation

Address: Sumitomo Realty & Development Osaki Garden Tower, 1-1-1 Nishishinagawa, Shinagawa, Tokyo

Representative: President and Co-CEO Miyuki Masaki

President and Co-CEO Yoshikazu Yonenaga

Business activities: Providing non-face-to-face securities brokerage services targeting asset builders

Date of establishment: June 2018

■ Nomura Securities Overview

Company name: Nomura Securities Co., Ltd.

Address: 1-13-1 Nihonbashi, Chuo, Tokyo

Representative: President Kentaro Okuda

Business activities: Securities business

Date of establishment: May 2001

Note: This document is a press release to provide general information with respect to issuance of the Digital Bonds, and it has not been prepared for the purpose of soliciting investments or other conduct of similar nature whether in Japan or overseas.

No further entry

Disclaimers

When bonds are purchased via public offerings, secondary distributions, or other OTC transactions with Nomura Securities, only the purchase price shall be paid, with no sales commission charged. Bonds carry the risk of losses, as prices fluctuate in line with changes in market interest rates. Bond prices may also fall below the invested principal as a result of such factors as changes in the management and financial circumstances of the issuer, or changes in third-party valuations of the bond in question.

Nomura Securities Co., Ltd.

Financial instruments firm registered with the Kanto Local Finance Bureau (registration No. 142)

Member associations: Japan Securities Dealers Association; Japan Investment Advisers Association; The Financial Futures Association of Japan; and Type II Financial Instruments Firms Association.