

SPARX FUNDS PLC
ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED
31 OCTOBER 2023

SPARX Funds Plc

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SPARX Funds Plc

COMPANY INFORMATION

Registered Office: 33 Sir John Rogerson's Quay, D02 XK09 Dublin 2, Ireland

DIRECTORS

Mr. Alan Ng (Non-executive)
Ms. Satomi Fujii (Non-executive)
Ms. Deirdre Gormley (Independent Non-executive)
(Appointed 1 November 2022)
Mr. Simon O'Sullivan (Independent Non-executive)
(Appointed 20 March 2023)
Mr. Paul McNaughton
(Ceased 6 November 2022)

INVESTMENT ADVISORS

SPARX Asset Management Co., Ltd.
Shinagawa Season Terrace 6F
1-2-70 Konan
Minato-ku
Tokyo, 108-0075
Japan

SPARX Asia Investment Advisors Limited
1706, 17th Floor, Central Plaza
18 Harbour Road
Wanchai
Hong Kong

DEPOSITARY

HSBC Continental Europe, Ireland
1 Grand Canal Square
Grand Canal Harbour
D02 P820
Dublin 2
Ireland

AUDITORS

Grant Thornton
13-18 City Quay
D02 ED70
Dublin 2
Ireland

ADMINISTRATOR

HSBC Securities Services (Ireland) DAC
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Grand Canal Harbour
D02 P820
Dublin 2
Ireland

DISTRIBUTORS

Bridge Fund Management Limited
Percy Exchange
8/34 Percy Place
Dublin 4
Ireland
D04 P5K3

LEGAL ADVISOR AS TO IRISH LAW

Dillon Eustace
33 Sir John Rogerson's Quay
D02 XK09
Dublin 2
Ireland

SECRETARY

Tudor Trust Limited
33 Sir John Rogerson's Quay
D02 XK09
Dublin 2
Ireland

MANAGER

Bridge Fund Management Limited
Percy Exchange
8/34 Percy Place
Dublin 4
D04 P5K3

SECURITIES LENDING AGENT

HSBC Bank plc
HSBC Markets & Securities Services
Securities Lending Department
8 Canada Square
London E14 5HQ
United Kingdom

SPARX Funds Plc

DIRECTORS' REPORT FOR THE YEAR ENDED 31 OCTOBER 2023

The Directors submit their Annual Report for the financial year ended 31 October 2023.

Principal Activities and Business Review

SPARX Funds Plc (the “Company”) was incorporated on 16 September 2003 and was authorised by the Central Bank of Ireland (“the Central Bank”) pursuant to the provisions of the European Communities (Undertakings for Collective Investment in Transferable Securities) (“UCITS”) (Amendment) Regulations, 2016, and the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertaking for Collective Investments in Transferable Securities) Regulations 2019 (the “Central Bank UCITS Regulations”).

The Company is an umbrella fund. As of the date of this report the Company comprised two Sub-Funds, SPARX Japan Fund and SPARX Japan Sustainable Equity Fund* (which commenced trading on 27 June 2005 and 25 April 2018 respectively), in respect of which twenty-three classes of shares have been offered for investment by SPARX Japan Fund.

As of 31 October 2023, the following share classes of the Sub-Funds have shareholders.

SPARX Japan Fund

EUR Hedged Class A
EUR Hedged Class C
EUR Hedged Class F
EUR Institutional Class C
EUR Institutional Class E
GBP Hedged Class C
GBP Hedged Class E
GBP Hedged Class F
GBP Institutional Class C
GBP Institutional Class D
GBP Institutional Class E
GBP Institutional Class F
JPY Institutional Class A
JPY Institutional Class C
JPY Institutional Class E
JPY Institutional Class G
USD Hedged Class A
USD Hedged Class C
USD Institutional Class D

*SPARX Japan Sustainable Equity Fund was terminated on 29 June 2023.

Review of Development of the Business and Future Developments

The Directors believe that a key indicator of the performance of the Company is the change in NAV for the financial year. A detailed review of the business and future developments is included in the Investment Advisor's Report.

SPARX Funds Plc

DIRECTORS' REPORT FOR THE YEAR ENDED 31 OCTOBER 2023 (CONTINUED)

Investment/Risk Management Objectives and Policies

The Company seeks to provide investors with capital appreciation by investing in Japanese Equities that they believe are undervalued. Investment in the Company carries with it a degree of risk including, but not limited to, the risks referred to in the prospectus and Note 13 of these financial statements.

Performance

The financial position and results for the financial year are set out on pages 18 and 24.

Dividends

Dividends totalling JPY 17,741,353 (2022: JPY 2,871,794) were paid on the SPARX Japan Fund and JPY 294,909,485 (2022: JPY 322,696,764) on the SPARX Japan Sustainable Equity Fund during the year.

Significant Events

Significant events are outlined in note 21 on page 77.

Directors

The Directors at the date of this report are listed on page 2.

Directors' and Secretary's Interests

The Directors and Secretary had no interest in the Company at 31 October 2023 and during the year.

Directors' Responsibilities

The Directors are responsible for preparing the Directors' Report and the financial statements in accordance with Irish law and regulations.

Irish company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the company as at the financial year end date and of the profit or loss of the Company for the financial year and otherwise comply with the Companies Act 2014.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with applicable accounting standards, identifying those standards and note the effect and the reason for any material departure from those standards; and prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

SPARX Funds Plc

DIRECTORS' REPORT FOR THE YEAR ENDED 31 OCTOBER 2022 (CONTINUED)

Directors' Responsibilities (continued)

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in Ireland governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Directors are required to entrust the assets of the Company to the Depository for safekeeping. In carrying out this duty, the Company has delegated custody of the Company's assets to HSBC Continental Europe, Ireland, 1 Grand Canal Square, Grand Canal Harbour, D02 P820, Dublin 2, Ireland.

The Directors are responsible for keeping proper books of account that disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Acts 2014 and the European Communities (Undertaking for Collective Investment in Transferable Securities) Regulations 2011 (as amended), (the "UCITS Regulations"). They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Books of Account

To ensure that proper books of account are kept in accordance with Section 281 to 285 of the Companies Act, 2014, the Directors of the Company have employed HSBC Securities Services (Ireland) DAC (the "Administrator"). The books of account are located at the offices of the Administrator as shown on page 2.

Connected Parties

In accordance with the requirements of the Central Bank UCITS Regulations, all transactions between the Company and the management company or depository of a UCITS; and the delegate or sub-delegates of such a management company or depository (excluding any non-group company sub-custodians appointed by a depository); and any associated or group companies of such a management company, depository, delegate or sub-delegate ("connected persons") must be carried out as if negotiated at arm's length and be in the best interests of shareholders. The Directors are satisfied that there are arrangements in place evidenced by written procedures to ensure that the obligations set out in the Central Bank UCITS Regulations are applied to all transactions with connected parties and transactions with connected parties entered into during the period complied with the obligations set out in the Central Bank UCITS Regulations.

The Manager of the Sub-Fund is Bridge Fund Management Ltd. Under the terms of the management agreement, the Manager is responsible for the general management and administration of the Sub-Funds affairs and for ensuring compliance with the Regulations, including investment and reinvestment of each Sub-Fund's assets, having regard to the investment objective and policies of each Sub-Fund. However, pursuant to the Administration Agreement, the Manager has delegated certain of its administration and transfer agency functions in respect of each Sub-Fund to the Administrator. The Manager receives fees in respect of its services as Management Company of the Sub-Funds.

Corporate Governance

At present, the Company is subject to corporate governance practices imposed by:

- (i) The Irish Companies Act 2014 which is available for inspection at the registered office of the Company; and may also be obtained at <http://www.irishstatutebook.ie/eli/acts.html>.
- (ii) The Articles of Association of the Company which are available for inspection at the registered office of the Company at 33 Sir John Rogerson's Quay, D02 P820, Dublin 2, Ireland and at the Companies Registration Office in Ireland;

SPARX Funds Plc
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 OCTOBER 2023 (CONTINUED)

Corporate Governance (continued)

- (iii) The Central Bank of Ireland in their UCITS Regulations and Guidance Notes which can be obtained from the Central Bank of Ireland website at: - <http://www.centralbank.ie/regulation/industry-market-sectors/funds/ucits/guidance> and are available for inspection at the registered office of the Company, as applicable for the year end; and

The management body of the Company is comprised of a board of four non-executive Directors, two of whom are Irish, one is Chinese and one is Japanese. Two of the Directors are independent, including the Chairperson.

The Board of Directors has voluntarily adopted the Corporate Governance Code for Irish Domiciled Collective Investment Schemes as issued by the Irish Funds ("IF"), as the Company's corporate governance code. The Board of Directors has assessed the measures included in the IF Code as being consistent with its corporate governance practices and procedures for the financial year.

The Board of Directors is responsible for establishing and maintaining adequate internal control and risk management systems for the Company. Such systems are designed to manage rather than eliminate the risk of error or fraud and can only provide reasonable and not absolute assurance against material misstatement or loss.

The Board of Directors has procedures in place to ensure all relevant books of account are properly maintained and are readily available, including production of the Company's annual and half-yearly financial statements. The annual and interim financial statements of the Company are required to be approved by the Board of Directors of the Company and the annual and half yearly financial statements of the Company are required to be filed with the Central Bank of Ireland. The annual financial statements are required to be audited by independent auditors who report annually on their findings.

The Board evaluates and discusses significant accounting and reporting issues as the need arises. The Manager has appointed HSBC Securities Services (Ireland) DAC as its Administrator. The Administrator maintains the books and records of the Company. The Administrator is authorised and regulated by the Central Bank of Ireland and must comply with the rules imposed by the Central Bank of Ireland. From time to time the Board also examines and evaluates the Administrators financial accounting and reporting routines and monitors and evaluates the external auditors' performance, qualifications and independence.

The convening and conduct of shareholders' meetings are governed by the Articles of Association of the Company and the Companies Acts. Although the Directors may convene an extraordinary general meeting of the Company at any time, the Directors are required to convene an annual general meeting of the Company within eighteen months of incorporation and fifteen months of the date of the previous annual general meeting thereafter. Shareholders representing not less than one-tenth of the paid up share capital of the Company may also request the Directors to convene a shareholders' meeting. At least twenty one days' notice must be given for annual general meetings and meetings convened for the passing of a special resolution. Fourteen days' notice must be given for other general meetings. However, all the shareholders who are entitled to attend and vote and the auditors can agree for a shorter notice.

Two members present either in person or by proxy constitutes a quorum at a general meeting provided that the quorum for a general meeting convened to consider any alteration to the class rights of shares is two shareholders holding or representing by proxy at least one third of the issued shares of the relevant fund or class.

Every holder of participating shares or non-participating shares present in person or by proxy who votes on a show of hands is entitled to one vote. On a poll, every holder of participating shares presents in person or by proxy is entitled to one vote in respect of each share held by him and every holder of non-participating shares is entitled to one vote in respect of all non-participating shares held by him. The Chairman of a general meeting of the Company or at least two members present in person or by proxy or any holder or holders of participating shares present in person or by proxy representing at least one tenth of the shares in issue having the right to vote at such meeting may demand a poll.

SPARX Funds Plc

DIRECTORS' REPORT FOR THE YEAR ENDED 31 OCTOBER 2023 (CONTINUED)

Corporate Governance (continued)

Shareholders may resolve to sanction an ordinary resolution or special resolution at a shareholders' meeting. An ordinary resolution of the Company or of the shareholders of a particular Sub-Fund or class requires a simple majority of the votes cast by the shareholders voting in person or by proxy at the meeting at which the resolution is proposed. A special resolution of the Company or of the shareholders of a particular Sub-Fund or class requires a majority of not less than 75% of the shareholders present in person or by proxy and voting in a general meeting in order to pass a special resolution including a resolution to amend the Articles of Association.

Unless otherwise determined by an ordinary resolution of the Company in a general meeting, the number of Directors may not be less than two nor more than nine. Currently the Board of Directors of the Company is composed of four directors, being those listed in the directory in these financial statements.

A Director may, and the company secretary of the Company on the requisition of a Director will, at any time summon a meeting of the Directors. Questions arising at any meeting of the Directors are determined by a majority of votes. In the case of an equality of votes, the Chairman has a second or casting vote. The quorum necessary for the transaction of business at a meeting of the directors is two. As at the date that these audited Financial Statements were signed, the Company has four non-executive directors, two of which are Irish and independent.

Sustainable Finance Disclosure Regulation (SFDR)

Under the Sustainable Finance Disclosure Regulation (SFDR), Financial Market Participants who manufacture financial products must disclose specific information regarding their approach to the integration of sustainability risks and the consideration of adverse sustainability impacts. In respect of "SPARX Japan Fund", it has been determined that the Sub-Fund is an Article 8 financial product or a 'Light Green Fund' pursuant to the SFDR, as the Sub-Funds promote environmental and social characteristics. In respect of "SPARX Japan Sustainable Equity Fund", it has been determined that the Sub-Fund was an Article 9 financial product or a 'Dark Green Fund' pursuant to the SFDR, as the Sub-Fund has environmental and social characteristics investment objectives. The Sub-Fund has been terminated on 29 June 2023.

Geopolitical Events

The current imposition of economic sanctions against Russia and rising tensions in the Middle East may result in restricted or no access to certain markets, investments, service providers or counterparties and could negatively impact the performance of any funds which have direct exposure to this region. As at 31 October 2023, the Sub-Fund had no exposure to these markets. Hence, these events are assessed to have no impact on the Sub-Funds. However, the Investment Manager will continue to monitor the economic impact of worldwide geopolitical events.

Auditors

Grant Thornton has indicated their willingness to remain in office in accordance with Section 383(2) of the Companies Act 2014.

SPARX Funds Plc

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 OCTOBER 2023 (CONTINUED)**

Directors Compliance Statement

The Directors acknowledge that they are responsible for securing compliance by the Company with its Relevant Obligations as defined with the Companies Act 2014 (hereinafter called the "Relevant Obligations").

The Directors confirm that they have drawn up and adopted a compliance policy statement setting out the Company's policies that, in the Directors' opinion, are appropriate to the Company in respect of its compliance with its Relevant Obligations.

The Directors further confirm the Company has put into place appropriate arrangements or structures that are, in the Directors' opinion, designed to secure material compliance with its Relevant Obligations (including reliance on the advice of persons employed by the Company and external legal and tax advisers as considered appropriate from time to time) and that they have reviewed the effectiveness of these arrangements or structures during the financial year to which this Report relates.

Statement on Relevant Audit Information

The Directors acknowledge following on the disclosure of information to auditors at the time the annual report is approved.

- (a) As far as each Director is aware, there is no relevant information of which the Company's statutory auditor is unaware.
- (b) The Directors have taken all the steps they ought to take as Directors to make themselves aware of any relevant audit information and to establish that the Company's statutory auditor is aware of that information.

**Signed on behalf of the Board of
Directors by**

DocuSigned by:

7C745122A5A0430...
Director Deirdre Gormley

DocuSigned by:

14BDC48449354F0...
Director Simon O'Sullivan

Date: 14 February 2024

SPARX JAPAN FUND

**INVESTMENT ADVISOR'S REPORT
FOR THE YEAR ENDED 31 OCTOBER 2023**

Market Commentary

During the twelve-month period ended October 31, 2023, the Japanese stock market, as measured by the TOPIX index with dividends included returned 19.81% year on year.

The recent inflationary trend and the expectation for interest rate hikes in Japan can be seen as positive developments for the economy. However, the prospects are not "definitive positive" yet, as it remains to be seen whether the current inflation becomes "good inflation" or "bad inflation", though we are cautiously optimistic. There is a persistent view that Japan could always fall back into deflation if a recession hits, but we see the possibility of unexpectedly high and sticky inflation. We learned last year that overseas inflation could spread to Japan when a sharp rise in US treasury yields triggered a rapid depreciation of the yen, fueling domestic inflation through soaring import prices. In the meantime, the portfolio is positioned well. It continues to remain concentrated around select attractive mid-to-large cap Japanese companies with global operations yet sufficiently diversified to weather unexpected adverse macro-economic events be it higher-than-expected inflation, interest rates or forex movements. Some of the Fund holdings are genuinely fast-growing companies with valuation, while others are growth companies trading at value stock-like multiples with significant ability to buy back shares and high dividend yields. The overarching characteristics of all these names are that they have strong durable competitive advantages and huge addressable markets.

The TOPIX index in Japan has reached a 33-year high during the Fund's fiscal year. This market rally may be due to several factors, including continued efforts around corporate governance and the stock market reform in the Tokyo Stock Exchange (TSE), the Bank of Japan's expansionary monetary policy, and wage increases. The TSE has requested listed companies with Price to Book ratios below 1x to increase shareholder value, aiming to improve share prices to above Price to Book of 1x. This initiative is part of a series of corporate governance reforms that have been making progress since the introduction of the stewardship code and corporate governance code in 2014 and 2015 respectively. The Bank of Japan needs a pro-growth and pro-inflation attitude to overcome a decades-long deflationary environment. Additionally, with wage increases achieved, labor unions winning, an average of 3.9% base salary increases, we expect that it may lead to increased spending on consumption.

Fund Commentary

For the twelve-month period ended October 31, 2023, the SPARX Japan Fund returned 21.56% (net of fees, JPY A share class).

Among positive contributors in the Fund during the period were Mitsubishi Corporation (8058), the largest trading company in Japan, Hitachi, Ltd. (6501), one of Japan's oldest electric equipment & heavy industrial machinery manufacturers, and Rohto Pharmaceutical Co., Ltd. (4527), a leading skincare cosmetics and OTC ophthalmic medicines producer. Mitsubishi Corp's share price rose on expectations of an upturn in earnings this fiscal year due to higher resource prices since the beginning of the year. Hitachi is steadily increasing its order backlog in its Hitachi Energy and railway systems businesses, and is expected to contribute to the global decarbonization trend by combining this with its IT-related Lumada business in the future.

Personal care products of Rohto, such as OTC eye drops, skincare cosmetics, sunscreen are selling well both in Japan and overseas.

SPARX JAPAN FUND

**INVESTMENT ADVISOR'S REPORT
FOR THE YEAR ENDED 31 OCTOBER 2023 (CONTINUED)**

Fund Commentary (continued)

The main detractors to the Fund's performance were Olympus Corporation (7733), the leading company in the medical field, such as gastrointestinal endoscopy, which has a 70% share of the world market, Recruit Holdings Co.,Ltd. (6098), Japan's unique HR and media company and the owner of US-based online job advertisement subsidiary "Indeed", and Renesas Electronics Corporation (6723), Japan's largest semiconductor maker, specializing in MCUs and analog chips. Olympus' share price was weighed down by a warning letter from the FDA to the company's domestic production plant regarding design verification and documentation-related matters. Recruit's share price fell as the market became aware of the backlash due to the economic slowdown. Renesas saw a correction in its share price due to rising industry inventory levels, which resulted in lower factory utilization.

The Fund seeks long-term capital appreciation by investing in Japanese companies, regardless of market capitalization. We screen for companies that we believe have strong businesses and management, and are traded at an attractive price. Through in-depth and rigorous analysis and bottom-up research, we identify stocks with a large "value gap". The portfolio is limited to our best ideas and maintains a concentrated number of holdings.

Sustainable Finance Disclosure Regulation (SFDR)

Please refer to the Appendix.

*9 November 2023
SPARX Asset Management Co., Ltd*

SPARX JAPAN SUSTAINABLE EQUITY FUND

INVESTMENT ADVISOR'S REPORT
FOR THE YEAR ENDED 31 OCTOBER 2023

Market Commentary

During the eight-month period to June 29, 2023, until the Fund was liquidated, the SVB bankruptcy in the US and its impact on Credit Suisse fueled concerns of a credit crunch and weighed down the overall market, which ended in a strong rally under the BOJ announcement of monetary easing, improved US economic indicators, a weaker yen, and a marked increase in Japanese equity investment from overseas investor. The Japanese stock market, as measured by the TOPIX index with dividends included rose by 20.55% during the same period.

Fund Commentary

For the eight-month period to June 29, 2023, the SPARX Japan Sustainable Equity Fund returned 7.87% (Net of fees, JPY C Share Class).

Among the positive contributors were investments in an electronics, amusement and finance operator Sony Group Corporation (6758), an apparel manufacturing retailer Fast Retailing Co. Ltd., (9983), and general appliance manufacturer Hitachi, Ltd. (6501). Fast Retailing's stock gained led by its robust financial results for the second quarter of the fiscal year ending August 2023, and operating income rose by 16.4% year-on-year, driven by strong overseas UNIQLO business. There was no particular news on Sony Group and Hitachi during this period.

Meanwhile, stocks that affected the Fund's performance negatively included West Holdings Corporation (1407), an operator of solar power generation business, S-Pool, Inc. (2471) a HR company focused on people with disabilities, and waste solutions company Midac Holdings Co., Ltd. (6564).

West Holdings announced its financial results for the first quarter of the fiscal year ending August 2023, and the unfavourable market reaction, which was likely owing to recurring profit falling 38% YoY. For S-Pool, there was some negative media coverage in some areas of the company's employment support service for people with disabilities, causing the stock price to fall. As the article differs from the company's opinion, the company has since disclosed its own view reassuring the legitimacy of its service. There was no specific news on Midac.

Outlook

Our primary operating principle is to invest in highly sustainable companies, handpicked through individualized research, and build a portfolio using a gradual approach based on our confidence level.

We derive my investment hypotheses by keeping significant global trends in mind, combining past research with an awareness acquired through daily activities. Ongoing inquiries into individual companies lead to practical investment ideas.

During this period, we specifically focused on moves to improve Japanese corporate governance. In late April, the Financial Services Agency published its "Action Program for Accelerating Corporate Governance Reform: From Form to Substance." The program encourages companies to substantially bolster their corporate governance to enhance corporate value. It recommends specific policies, including reviewing business portfolios, increasing sustainability disclosure, and improving functionality in nomination and compensation committees.

Since the Tokyo Stock Exchange has already asked companies with share prices below average net asset values to consider capital costs and ROE, the FSA's program will put further pressure on these companies to improve their management.

SPARX JAPAN SUSTAINABLE EQUITY FUND

**INVESTMENT ADVISOR'S REPORT
FOR THE YEAR ENDED 31 OCTOBER 2023**

Outlook (continued)

In the process of full-fledged management reform, companies may need to review their management structures. Specifically, changes in top management often trigger amendments to management policy, so we should continue to monitor these critical events.

Sustainable Finance Disclosure Regulation (SFDR)

Please refer to the Appendix.

9 November 2023

SPARX Asset Management Co., Ltd



Annual Depositary Report to the Shareholders

We, HSBC Continental Europe appointed Depositary to Sparx Funds plc (the "Company") provide this report solely in favour of the Shareholders of the Company for the year ended 31 October 2023 ("the Accounting Period"). This report is provided in accordance with the UCITS Regulations - European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011, as amended ("the Regulations"). We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown.

In accordance with our Depositary obligation as provided for under the Regulations, we have enquired into the conduct of the Company for the Accounting Period and we hereby report thereon to the Shareholders of the Company as follows;

We are of the opinion that the Company has been managed during the Accounting Period, in all material respects:

(i) in accordance with the limitations imposed on the investment and borrowing powers of the Company by the constitutional documents and the Regulations; and

(ii) otherwise in accordance with the provisions of the constitutional documents and the Regulations.

A handwritten signature in black ink, appearing to read "B. Billey".

For and on behalf of
HSBC Continental Europe

1 Grand Canal Square
Grand Canal Harbour
Dublin 2
Ireland

14 February 2024

- HSBC Continental Europe

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HSBC Continental Europe has a registered branch in Ireland (registration number 908966) having its registered office at 1 Grand Canal Square, Grand Canal Harbour, Dublin 2, D02 P820 and is regulated and supervised by the Central Bank of Ireland as a depositary for Irish authorised investment funds and otherwise regulated by the Central Bank of Ireland for conduct of business rules. HSBC Continental Europe is a company incorporated under the laws of France as a société anonyme (registered number 775 670 284 RCS Paris), having its registered office at 38 Avenue Kléber, 75116 Paris, France. HSBC Continental Europe is supervised by the European Central Bank, as part of the Single Supervisory Mechanism, the French Prudential Supervisory and Resolution Authority (l'Autorité de Contrôle Prudenciel et de Résolution) as the French National Competent Authority and the French Financial Markets Authority (l'Autorité des Marchés Financiers) for the activities carried out over financial instruments or in financial markets.

Independent auditor's report to the members of SPARX Funds Plc

Opinion

We have audited the financial statements of SPARX Funds Plc (the "Company") which comprise the Statement of Financial Position, the Statement of Comprehensive Income, the Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Shares, the Statement of Cash Flows for the financial year ended 31 October 2023 and the related notes to the financial statements, including the summary of significant accounting policies.

The financial reporting framework that has been applied in the preparation of the financial statements is Irish law and International Financial Reporting Standards ("IFRS") as adopted by the European Union.

In our opinion, Company's financial statements:

- give a true and fair view in accordance with IFRS as adopted by the European Union of the assets, liabilities and financial position of the Company as at 31 October 2023 and of its financial performance and cash flows for the financial year then ended; and
- have been properly prepared in accordance with the requirements of the Companies Act 2014, European Communities (Undertaking for Collective Investment in Transferable Securities) Regulations 2011 and the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) (Amendment) Regulations 2019.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) ('ISAs (Ireland)') and applicable law. Our responsibilities under those standards are further described in the 'Responsibilities of the auditor for the audit of the financial statements' section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Ireland, including the Ethical Standard for Auditors (Ireland) issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), and the ethical pronouncements established by Chartered Accountants Ireland, applied as determined to be appropriate in the circumstances for the entity. We have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independent auditor's report to the members of SPARX Funds Plc

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Directors' use of going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from the date when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

Other information

Other information comprises information included in the annual report, other than the financial statements and the auditor's report thereon, such as, Directors' Report, Investment Advisor's Report and Annual Depositary Report to the Shareholders. The Directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies in the financial statements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by the Companies Act 2014

- We have obtained all the information and explanations which we consider necessary for the purposes of our audit.
- In our opinion the accounting records of the Company were sufficient to permit the financial statements to be readily and properly audited.
- The financial statements are in agreement with the accounting records.
- In our opinion the information given in the Directors' report is consistent with the financial statements. Based solely on the work undertaken in the course of our audit, in our opinion, the Directors' report has been prepared in accordance with the requirements of the Companies Act 2014.

Independent auditor's report to the members of SPARX Funds Plc

Matters on which we are required to report by exception

Based on our knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' report.

Under the Companies Act 2014 we are required to report to you if, in our opinion, the disclosures of Directors' remuneration and transactions specified by sections 305 to 312 of the Act have not been made. We have no exceptions to report arising from this responsibility.

Responsibilities of management and those charged with governance for the financial statements

As explained more fully in the Directors' responsibilities statement, management is responsible for the preparation of the financial statements which give a true and fair view in accordance with IFRS as adopted by the European Union, and for such internal control as they determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the company's financial reporting process.

Responsibilities of the auditor for the audit of the financial statements

The auditor's objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes their opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (Ireland), the auditor will exercise professional judgment and maintain professional scepticism throughout the audit. The auditor will also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for their opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

Independent auditor's report to the members of SPARX Funds Plc

Responsibilities of the auditor for the audit of the financial statements (continued)

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If they conclude that a material uncertainty exists, they are required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify their opinion. Their conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.

The auditor communicates with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that may be identified during the audit.

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the company's members, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Sarah Bradley

For and on behalf of

Grant Thornton

Chartered Accountants & Statutory Audit Firm

13-18 City Quay

14 February 2024

SPARX Funds Plc

**STATEMENT OF FINANCIAL POSITION
AS AT 31 OCTOBER 2023**

	NOTES	TOTAL 2023 JPY	SPARX JAPAN FUND 2023 JPY	SPARX JAPAN SUSTAINABLE EQUITY FUND* 2023 JPY
ASSETS				
Cash and cash equivalents	6	2,366,093,127	2,357,711,467	8,381,660
Financial assets at fair value through profit or loss				
- Transferable securities	3	130,849,444,790	130,849,444,790	-
- Financial derivative instruments	3	36,767,533	36,767,533	-
Due from shareholders		25,977,476	25,977,476	-
Investments sold not yet settled	4	2,078,700,422	2,078,700,422	-
Dividends receivable		1,336,638,030	1,336,638,030	-
Other receivables	5	15,046,938	15,046,938	-
TOTAL ASSETS		136,708,668,316	136,700,286,656	8,381,660
LIABILITIES				
Financial liabilities at fair value through profit or loss				
- Financial derivative instruments	3	236,721	236,721	-
Due to shareholders		3,377,879,108	3,377,879,108	-
Investments purchased not yet settled	4	89,249,309	89,249,309	-
Investment advisory fees payable	8	367,726,317	367,726,317	-
Management fees payable	8	3,403,882	529,747	2,874,135
Administration fees payable	8	5,091,046	5,091,046	-
Depository fees payable	8	4,912,221	4,912,221	-
Other payables and accrued expenses	7	256,865,539	251,358,014	5,507,525
TOTAL LIABILITIES		4,105,364,143	4,096,982,483	8,381,660
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES				
		132,603,304,173	132,603,304,173	-

*SPARX Japan Sustainable Equity Fund was terminated on 29 June 2023.

The accompanying notes form an integral part of these financial statements

SPARX Funds Plc

**STATEMENT OF FINANCIAL POSITION
AS AT 31 OCTOBER 2023 (CONTINUED)**

	NOTES	SPARX JAPAN FUND 2023	SPARX JAPAN SUSTAINABLE EQUITY 2023
Net Asset Value per share			
EUR Hedged Class A	15	€ 195	-
EUR Hedged Class C	15	€ 171	-
EUR Hedged Class F	15	€ 135	-
EUR Institutional Class C	15	€95	-
EUR Institutional Class E	15	€ 84	-
EUR Institutional Class I	15	-	-
GBP Hedged Class C	15	£180	-
GBP Hedged Class E	15	£117	-
GBP Hedged Class F	15	£116	-
GPB Hedged Class I	15	-	-
GBP Institutional Class C	15	£119	-
GBP Institutional Class D	15	£104	-
GBP Institutional Class E	15	£106	-
GBP Institutional Class F	15	£104	-
GBP Institutional Class I	15	-	-
GBP Institutional Class J	15	-	-
JPY Institutional Class A	15	¥34,612	-
JPY Institutional Class C	15	¥25,046	-
JPY Institutional Class E	15	¥14,293	-
JPY Institutional Class G	15	¥14,377	-
JPY Institutional Class I	15	-	-
USD Hedged Class A	15	\$226	-
USD Hedged Class C	15	\$198	-
USD Hedged Class E	15	-	-
USD Institutional Class D	15	\$101	-
USD Institutional Class I	15	-	-

*SPARX Japan Sustainable Equity Fund was terminated on 29 June 2023.

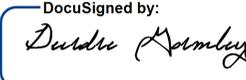
The accompanying notes form an integral part of these financial statements

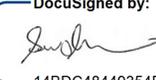
SPARX Funds Plc

STATEMENT OF FINANCIAL POSITION
AS AT 31 OCTOBER 2023 (CONTINUED)

	NOTES	SPARX JAPAN FUND 2023	SPARX JAPAN SUSTAINABLE EQUITY FUND* 2023
Number of shares in issue			
EUR Hedged Class A	9	2,370	-
EUR Hedged Class C	9	8,799	-
EUR Hedged Class F	9	61,300	-
EUR Institutional Class C	9	113,808	-
EUR Institutional Class E	9	38,344	-
EUR Institutional Class I	9	-	-
GBP Hedged Class C	9	48,850	-
GBP Hedged Class E	9	69,532	-
GBP Hedged Class F	9	1,709	-
GPB Hedged Class I	9	-	-
GBP Institutional Class C	9	8,372	-
GBP Institutional Class D	9	2,020	-
GBP Institutional Class E	9	788,522	-
GBP Institutional Class F	9	33,110	-
GBP Institutional Class I	9	-	-
GBP Institutional Class J	9	-	-
JPY Institutional Class A	9	82,761	-
JPY Institutional Class C	9	297,392	-
JPY Institutional Class E	9	1,197,652	-
JPY Institutional Class G	9	5,586,378	-
JPY Institutional Class I	9	-	-
USD Hedged Class A	9	19,368	-
USD Hedged Class C	9	29,789	-
USD Hedged Class E	9	-	-
USD Institutional Class D	9	443	-
USD Institutional Class I	9	-	-

*SPARX Japan Sustainable Equity Fund was terminated on 29 June 2023.

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 Director
 Director
 Date: 14 February 2024 Deirdre Gormley
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Simon O'Sullivan

The accompanying notes form an integral part of these financial statements

SPARX Funds Plc

**STATEMENT OF FINANCIAL POSITION
AS AT 31 OCTOBER 2022**

	NOTES	TOTAL 2022 JPY	SPARX JAPAN FUND 2022 JPY	SPARX JAPAN SUSTAINABLE EQUITY FUND 2022 JPY	SPARX ONEASIA GROWTH EQUITY FUND* 2022 USD
ASSETS					
Cash and cash equivalents	6	5,412,432,229	4,749,760,542	662,671,687	-
Financial assets at fair value through profit or loss					
- Transferable securities	3	192,195,718,600	159,448,854,500	32,746,864,100	-
- Financial derivative instruments	3	172,608,249	166,120,180	6,488,069	-
Due from shareholders		38,647,257	21,430,087	17,217,170	-
Investments sold not yet settled	4	1,526,703,714	1,383,296,044	143,407,670	-
Dividends receivable		1,535,703,380	1,285,641,580	250,061,800	-
Other receivables	5	38,881,047	1,673,611	37,207,436	-
TOTAL ASSETS		200,920,694,476	167,056,776,544	33,863,917,932	-
LIABILITIES					
Financial liabilities at fair value through profit or loss					
- Financial derivative instruments	3	22,829,854	22,819,653	10,201	-
Due to shareholders		926,448,661	901,565,366	24,883,295	-
Investments purchased not yet settled	4	770,706,734	623,024,756	147,681,978	-
Investment advisory fees payable	8	466,746,428	421,493,505	45,252,923	-
Management fees payable	8	10,343,403	7,988,210	2,355,193	-
Administration fees payable	8	7,139,226	5,918,500	1,220,726	-
Depositary fees payable	8	5,562,536	5,043,529	519,007	-
Other payables and accrued expenses	7	285,205,626	238,957,210	46,248,416	-
TOTAL LIABILITIES		2,494,982,468	2,226,810,729	268,171,739	-
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES					
		198,425,712,008	164,829,965,815	33,595,746,193	-

*SPARX OneAsia Growth Equity Fund was terminated on 31 March 2022.

The accompanying notes form an integral part of these financial statements

SPARX Funds Plc

**STATEMENT OF FINANCIAL POSITION
AS AT 31 OCTOBER 2022 (CONTINUED)**

	NOTES	SPARX JAPAN FUND 2022	SPARX JAPAN SUSTAINABLE EQUITY FUND 2022
Net Asset Value per share			
EUR Hedged Class A	15	€160	-
EUR Hedged Class C	15	€137	-
EUR Hedged Class F	15	€111	-
EUR Institutional Class C	15	-	€90
EUR Institutional Class E	15	€76	-
EUR Institutional Class I	15	-	€90
GBP Hedged Class C	15	£145	-
GBP Hedged Class E	15	£94	£138
GBP Hedged Class F	15	£94	-
GBP Hedged Class I	15	-	£146
GBP Institutional Class C	15	£106	-
GBP Institutional Class D	15	£94	-
GBP Institutional Class E	15	£95	£117
GBP Institutional Class F	15	£94	£95
GBP Institutional Class I	15	-	£121
GBP Institutional Class J	15	-	£106
JPY Institutional Class A	15	¥29,094	-
JPY Institutional Class C	15	¥20,927	¥13,757
JPY Institutional Class E	15	¥11,925	-
JPY Institutional Class G	15	¥11,983	¥10,164
JPY Institutional Class I	15	-	¥13,046
USD Hedged Class A	15	\$182	-
USD Hedged Class C	15	\$158	-
USD Hedged Class E	15	\$212	-
USD Institutional Class D	15	\$86	-
USD Institutional Class I	15	-	\$75

The accompanying notes form an integral part of these financial statements

SPARX Funds Plc

**STATEMENT OF FINANCIAL POSITION
AS AT 31 OCTOBER 2022 (CONTINUED)**

	NOTES	SPARX JAPAN FUND 2022	SPARX JAPAN SUSTAINABLE EQUITY FUND 2022
Number of shares in issue			
EUR Hedged Class A	9	4,034	-
EUR Hedged Class C	9	9,142	-
EUR Hedged Class F	9	64,300	-
EUR Institutional Class C	9	-	95,000
EUR Institutional Class E	9	34,522	-
EUR Institutional Class I	9	-	13,424
GBP Hedged Class C	9	61,295	-
GBP Hedged Class E	9	525,640	805
GBP Hedged Class F	9	35,115	-
GBP Hedged Class I	9	-	17,521
GBP Institutional Class C	9	286,727	-
GBP Institutional Class D	9	29,845	-
GBP Institutional Class E	9	565,532	51,732
GBP Institutional Class F	9	15,093	1,991
GBP Institutional Class I	9	-	135,009
GBP Institutional Class J	9	-	1,432,832
JPY Institutional Class A	9	101,193	-
JPY Institutional Class C	9	381,372	1,359
JPY Institutional Class E	9	3,953,901	-
JPY Institutional Class G	9	6,459,918	79,969
JPY Institutional Class I	9	-	27,848
USD Hedged Class A	9	20,863	-
USD Hedged Class C	9	34,862	-
USD Hedged Class E	9	13,920	-
USD Institutional Class D	9	7,610	-
USD Institutional Class I	9	-	48,470

The accompanying notes form an integral part of these financial statements

SPARX Funds Plc

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 OCTOBER 2023**

	NOTES	TOTAL 2023 JPY	SPARX JAPAN FUND 2023 JPY	SPARX JAPAN SUSTAINABLE EQUITY FUND* 2023 JPY
INCOME				
Interest	2(j)	121,827	41,552	80,275
Dividends	2(l)	3,372,317,508	2,986,124,672	386,192,836
Less: Withholding tax	2(l)	(516,470,434)	(457,324,998)	(59,145,436)
Other income		45,583,347	20,457,819	25,125,528
TOTAL INVESTMENT INCOME		2,901,552,248	2,549,299,045	352,253,203
EXPENSES				
Investment advisory fees	8	1,147,515,579	1,061,517,136	85,998,443
Management fees	8	48,745,253	40,346,096	8,399,157
Administration fees	8	100,767,228	85,526,726	15,240,502
Depositary fees	8	22,859,565	19,855,536	3,004,029
Directors' fees and expenses	8	5,248,540	5,183,072	65,468
Audit fees	8	5,694,323	4,005,460	1,688,863
Legal and professional fees		13,112,881	13,112,881	-
Transaction costs		10,565,321	5,655,143	4,910,178
Other expenses		43,824,610	28,425,016	15,399,594
OPERATING EXPENSES		1,398,333,300	1,263,627,066	134,706,234
FINANCE COST				
Distributions to redeemable participating shareholders	10	312,650,838	17,741,353	294,909,485
NET INVESTMENT INCOME/(LOSS) BEFORE TAX		1,190,568,110	1,267,930,626	(77,362,516)
Capital gains tax		-	-	-
NET INVESTMENT INCOME/(LOSS)		1,190,568,110	1,267,930,626	(77,362,516)

*SPARX Japan Sustainable Equity Fund was terminated on 29 June 2023.

The accompanying notes form an integral part of these financial statements

SPARX Funds Plc

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 OCTOBER 2023 (CONTINUED)**

	TOTAL	SPARX	SPARX JAPAN
	2023	JAPAN FUND	SUSTAINABLE
NOTES	2023	2023	EQUITY
	JPY	JPY	FUND*
	JPY	JPY	2023
	JPY	JPY	JPY
Net realised gain/(loss)on:			
-Investments	28,416,731,016	23,818,387,922	4,598,343,094
-Forward foreign exchange contracts	474,686,982	450,742,714	23,944,268
-Foreign exchange	(19,941,823)	(7,904,198)	(12,037,625)
Net change in fair value of investments and foreign exchange:			
-Investments	(2,287,665,725)	(22,190,027)	(2,265,475,698)
-Forward foreign exchange contracts	(113,247,583)	(106,769,715)	(6,477,868)
-Foreign exchange	(3,311,356)	(2,847,514)	(463,842)
PROFIT ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES FROM OPERATIONS	27,657,819,621	25,397,349,808	2,260,469,813

*SPARX Japan Sustainable Equity Fund was terminated on 29 June 2023.

The accompanying notes form an integral part of these financial statements

SPARX Funds Plc

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 OCTOBER 2022**

	NOTES	TOTAL 2022 JPY	SPARX JAPAN FUND 2022 JPY	SPARX JAPAN SUSTAINABLE EQUITY FUND 2022 JPY	SPARX ONEASIA GROWTH EQUITY FUND* 2022 USD
INCOME					
Interest	2(j)	1,549	780	11	6
Dividends	2(1)	3,408,983,325	2,679,873,565	728,933,185	1,398
Less: Withholding tax	2(1)	(521,605,779)	(410,422,639)	(111,155,858)	(216)
Other income		65,461,769	25,190,864	40,125,909	1,148
TOTAL INVESTMENT INCOME		2,952,840,864	2,294,642,570	657,903,247	2,336
EXPENSES					
Investment advisory fees	8	1,469,941,770	1,321,682,102	146,855,281	11,119
Management fees	8	59,415,127	49,339,121	10,076,006	-
Administration fees	8	149,499,225	125,940,825	22,790,717	6,078
Depository fees	8	33,304,428	27,206,631	5,831,546	2,108
Directors' fees and expenses	8	5,773,118	4,895,872	868,278	71
Audit fees	8	5,512,488	3,896,520	752,167	6,839
Legal and professional fees		20,221,766	16,070,661	3,118,813	8,173
Transaction costs		14,617,957	6,537,819	8,079,633	4
Other expenses		33,275,450	26,087,218	7,112,450	600
OPERATING EXPENSES		1,791,561,329	1,581,656,769	205,484,891	34,992
FINANCE COST					
Distributions to redeemable participating shareholders	10	325,568,558	2,871,794	322,696,764	-
NET INVESTMENT INCOME/(LOSS) BEFORE TAX		835,710,977	710,114,007	129,721,592	(32,656)
Capital gains tax		5,531,914	-	-	43,798
NET INVESTMENT INCOME/(LOSS)		830,179,063	710,114,007	129,721,592	(76,454)

*SPARX OneAsia Growth Equity Fund was terminated on 31 March 2022.

The accompanying notes form an integral part of these financial statements

SPARX Funds Plc
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 OCTOBER 2022 (CONTINUED)

NOTES	TOTAL 2022 JPY	SPARX JAPAN FUND 2022 JPY	SPARX JAPAN SUSTAINABLE EQUITY FUND 2022 JPY	SPARX ONEASIA GROWTH EQUITY FUND* 2022 USD
Net realised gain/(loss)on:				
-Investments	7,629,269,094	7,561,152,127	(55,432,228)	978,180
-Forward foreign exchange contracts	2,498,269,764	2,438,863,566	59,406,198	-
-Foreign exchange	(2,276,286)	(4,153,411)	(355,445)	17,676
Net change in fair value of investments and foreign exchange:				
-Investments	(46,358,420,577)	(41,160,511,896)	(5,003,101,770)	(1,542,351)
-Forward foreign exchange contracts	249,152,985	240,230,091	8,922,894	-
-Foreign exchange	(9,995,927)	(8,194,017)	(1,789,027)	(102)
LOSS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES FROM OPERATIONS	(35,163,821,884)	(30,222,499,533)	(4,862,627,786)	(623,051)

*SPARX OneAsia Growth Equity Fund was terminated on 31 March 2022.

The accompanying notes form an integral part of these financial statements

SPARX Funds Plc

**STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO
HOLDERS OF REDEEMABLE PARTICIPATING SHARES
FOR THE YEAR ENDED 31 OCTOBER 2023**

	TOTAL	SPARX	SPARX
	2023	JAPAN FUND	SUSTAINABLE
	JPY	2023	EQUITY FUND*
		JPY	2023
			JPY
Net assets attributable to holders of redeemable participating shares at 1 November	198,425,712,008	164,829,965,815	33,595,746,193
Profit attributable to holders of redeemable participating shares from operations	27,657,819,621	25,397,349,808	2,260,469,813
Proceeds from issuance of redeemable participating shares			
EUR Hedged Class C	1,941,081,141	1,941,081,141	-
EUR Hedged Class F	536,384,832	536,384,832	-
EUR Institutional Class C	2,218,092,170	1,780,483,331	437,608,839
EUR Institutional Class E	110,420,033	110,420,033	-
EUR Institutional Class I	42,076,866	-	42,076,866
GPB Hedged Class C	3,922,244	3,922,244	-
GPB Hedged Class E	582,665,005	574,299,416	8,365,589
GPB Hedged Class F	25,015,812	25,015,812	-
GPB Hedged Class I	158,032,069	-	158,032,069
GBP Institutional Class C	186,662,993	186,662,993	-
GBP Institutional Class D	4,565,148	4,565,148	-
GBP Institutional Class E	14,493,177,779	14,384,301,309	108,876,470
GBP Institutional Class F	394,842,339	394,842,339	-
GBP Institutional Class I	223,447,597	-	223,447,597
GBP Institutional Class J	549,049,753	-	549,049,753

*SPARX Japan Sustainable Equity Fund was terminated on 29 June 2023.

The accompanying notes form an integral part of these financial statements.

SPARX Funds Plc

**STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO
HOLDERS OF REDEEMABLE PARTICIPATING SHARES
FOR THE YEAR ENDED 31 OCTOBER 2023 (CONTINUED)**

	TOTAL	SPARX	SPARX
	2023	JAPAN FUND	SUSTAINABLE
	JPY	JPY	EQUITY FUND
			2023*
			JPY
<hr/>			
Proceeds from issuance of redeemable participating shares (continued)			
JPY Institutional Class A	1,157,496,838	1,157,496,838	-
JPY Institutional Class C	2,839,265,946	2,317,817,910	521,448,036
JPY Institutional Class E	229,799,417	229,799,417	-
JPY Institutional Class G	37,132,806,344	27,689,293,304	9,443,513,040
JPY Institutional Class I	48,035,071	-	48,035,071
SEK Institutional Class A	13,130	-	13,130
USD Hedged Class A	-	-	-
USD Hedged Class C	40,053,596	40,053,596	-
USD Institutional Class C	-	-	-
USD Institutional Class D	105,972	105,972	-
USD Institutional Class I	143,980,686	-	143,980,686
Payment on redemption of redeemable participating shares			
EUR Hedged Class A	(46,001,645)	(46,001,645)	-
EUR Hedged Class C	(1,899,750,053)	(1,899,750,053)	-
EUR Hedged Class F	(629,461,207)	(629,461,207)	-
EUR Hedged Class I	-	-	-
EUR Institutional Class C	-	-	-
EUR Institutional Class E	(1,876,119,971)	(66,942,553)	(1,809,177,418)
EUR Institutional Class I	(215,041,955)	-	(215,041,955)
GBP Hedged Class C	(312,982,212)	(312,982,212)	-

*SPARX Japan Sustainable Equity Fund was terminated on 29 June 2023.

The accompanying notes form an integral part of these financial statements

SPARX Funds Plc

**STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO
HOLDERS OF REDEEMABLE PARTICIPATING SHARES
FOR THE YEAR ENDED 31 OCTOBER 2023 (CONTINUED)**

	TOTAL	SPARX JAPAN FUND	SPARX JAPAN SUSTAINABLE EQUITY FUND*
	2023	2023	2023
	JPY	JPY	JPY
<hr/>			
Payment on redemption of redeemable participating shares (continued)			
GBP Hedged Class E	(7,899,107,596)	(7,868,750,869)	(30,356,727)
GBP Hedged Class F	(547,894,052)	(547,894,052)	-
GBP Hedged Class I	(626,463,111)	-	(626,463,111)
GBP Institutional Class C	(5,371,817,338)	(5,371,817,338)	
GBP Institutional Class D	(462,988,910)	(462,988,910)	
GBP Institutional Class E	(11,539,531,515)	(10,330,610,800)	(1,208,920,715)
GBP Institutional Class F	(120,527,960)	(86,182,689)	(34,345,271)
GBP Institutional Class I	(3,312,359,507)	-	(3,312,359,507)
GBP Institutional Class J	(27,389,197,824)	-	(27,389,197,824)
JPY Institutional Class A	(1,860,715,311)	(1,860,715,311)	-
JPY Institutional Class C	(4,730,005,518)	(4,124,878,629)	(605,126,889)
JPY Institutional Class E	(35,294,261,834)	(35,294,261,834)	-
JPY Institutional Class G	(50,395,258,999)	(39,218,909,327)	(11,176,349,672)
JPY Institutional Class I	(439,771,046)	-	(439,771,046)
SEK Institutional Class A	(13,374)		(13,374)

*SPARX Japan Sustainable Equity Fund was terminated on 29 June 2023.

The accompanying notes form an integral part of these financial statements

SPARX Funds Plc

**STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO
HOLDERS OF REDEEMABLE PARTICIPATING SHARES
FOR THE YEAR ENDED 31 OCTOBER 2023 (CONTINUED)**

	TOTAL	SPARX JAPAN FUND	SPARX JAPAN SUSTAINABLE EQUITY FUND*
	2023	2023	2023
	JPY	JPY	JPY
<hr/>			
Payment on redemption of redeemable participating shares (continued)			
USD Hedged Class A	(35,091,461)	(35,091,461)	-
USD Hedged Class C	(573,095,683)	(573,095,683)	-
USD Hedged Class E	(177,895,619)	(177,895,619)	-
USD Institutional Class C	-	-	-
USD Institutional Class D	(92,326,893)	(92,326,893)	-
USD Institutional Class I	(693,539,643)	-	(693,539,643)
	<hr/>		
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES AT 31 OCTOBER 2023	132,603,304,173	132,603,304,173	-
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*SPARX Japan Sustainable Equity Fund was terminated on 29 June 2023.

The accompanying notes form an integral part of these financial statements

SPARX Funds Plc

**STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO
HOLDERS OF REDEEMABLE PARTICIPATING SHARES
FOR THE YEAR ENDED 31 OCTOBER 2022**

	TOTAL 2022 JPY	SPARX JAPAN FUND 2022 JPY	SPARX SUSTAINABLE EQUITY FUND 2022 JPY	SPARX ONEASIA GROWTH EQUITY FUND* 2022 USD
Net assets attributable to holders of redeemable participating shares at 1 November	239,543,237,219	198,010,525,045	40,676,952,680	7,525,549
Loss attributable to holders of redeemable participating shares from operations	(35,163,821,884)	(30,222,499,533)	(4,862,627,786)	(623,051)
Foreign exchange movement arising on aggregation	249,176,225	-	-	-
Proceeds from issuance of redeemable participating shares				
EUR Hedged Class C	115,165,523	115,165,523	-	-
EUR Hedged Class F	2,832,088,703	2,832,088,703	-	-
EUR Hedged Class I	42,188,915	-	42,188,915	-
EUR Institutional Class C	-	-	-	-
EUR Institutional Class E	297,052,883	297,052,883	-	-
EUR Institutional Class I	132,455,337	-	132,455,337	-
GPB Hedged Class C	1,349,921,564	1,349,921,564	-	-
GBP Hedged Class E	3,404,539,126	3,399,626,404	4,912,722	-
GBP Hedged Class F	200,239,510	200,239,510	-	-
GPB Hedged Class I	178,918,630	-	178,918,630	-
GBP Institutional Class C	5,414,183,456	5,414,183,456	-	-
GBP Institutional Class D	347,368,909	347,368,909	-	-
GBP Institutional Class E	3,116,114,884	2,191,578,405	924,536,479	-
GBP Institutional Class F	71,174,426	38,960,419	32,214,007	-
GBP Institutional Class I	526,261,787	-	526,261,787	-
GBP Institutional Class J	6,426,890,442	-	6,426,890,442	-

*SPARX OneAsia Growth Equity Fund was terminated on 31 March 2022.

**launched on 18 August 2022.

The accompanying notes form an integral part of these financial statements

SPARX Funds Plc

**STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO
HOLDERS OF REDEEMABLE PARTICIPATING SHARES
FOR THE YEAR ENDED 31 OCTOBER 2022 (CONTINUED)**

	TOTAL	SPARX JAPAN FUND	SPARX SUSTAINABLE EQUITY FUND	SPARX JAPAN GROWTH EQUITY FUND*
	2022	2022	2022	2022
	JPY	JPY	JPY	USD
Proceeds from issuance of redeemable participating shares (continued)				
JPY Institutional Class A	263,045,578	263,045,578	-	-
JPY Institutional Class C	3,609,493,386	3,590,392,075	19,101,311	-
JPY Institutional Class E	21,915,650,121	21,915,650,121	-	-
JPY Institutional Class G	31,423,997,589	30,564,154,208	859,843,381	-
JPY Institutional Class I	450,329,329	-	450,329,329	-
USD Hedged Class A	20,291,557	20,291,557	-	-
USD Hedged Class C	145,482,367	145,482,367	-	-
USD Institutional Class C**	300,216,918	-	300,216,918	-
USD Institutional Class D	179,279,582	179,279,582	-	-
USD Institutional Class I	210,226,633	-	210,226,633	-
Payment on redemption of redeemable participating shares				
EUR Hedged Class A	(54,331,075)	(54,331,075)	-	-
EUR Hedged Class C	(341,610,980)	(341,610,980)	-	-
EUR Hedged Class F	(4,896,116,780)	(4,896,116,780)	-	-
EUR Hedged Class I	(425,849,605)	-	(425,849,605)	-
EUR institutional Class C	(63,966,659)	-	(63,966,659)	-
EUR Institutional Class I	(23,596,547)	-	(23,596,547)	-
GBP Hedged Class C	(4,059,090,695)	(4,059,090,695)	-	-
GBP Hedged Class E	(1,554,616,170)	(1,549,505,246)	(5,110,924)	-
GBP Hedged Class F	(128,760,330)	(128,760,330)	-	-

*SPARX OneAsia Growth Equity Fund was terminated on 31 March 2022.

The accompanying notes form an integral part of these financial statements

SPARX Funds Plc

**STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO
HOLDERS OF REDEEMABLE PARTICIPATING SHARES
FOR THE YEAR ENDED 31 OCTOBER 2022 (CONTINUED)**

	TOTAL	SPARX JAPAN FUND	SPARX SUSTAINABLE EQUITY FUND	SPARX ONEASIA GROWTH EQUITY FUND*
	2022	2022	2022	2022
	JPY	JPY	JPY	USD
Payment on redemption of redeemable participating shares (continued)				
GBP Hedged Class I	(105,165,721)	-	(105,165,721)	-
GBP Institutional Class C	(1,806,454,126)	(1,806,454,126)	-	-
GBP Institutional Class D	(12,578,762)	(12,578,762)	-	-
GBP Institutional Class E	(6,270,340,248)	(5,276,601,070)	(993,739,178)	-
GBP Institutional Class F	(1,650,438,989)	(36,225,763)	(1,614,213,226)	-
GBP Institutional Class I	(83,846,630)	-	(83,846,630)	-
GBP Institutional Class J	(5,395,789,247)	-	(5,395,789,247)	-
JPY Institutional Class A	(453,069,935)	(453,069,935)	-	-
JPY Institutional Class C	(3,287,150,529)	(3,287,130,443)	(20,086)	-
JPY Institutional Class E	(36,687,586,890)	(36,687,586,890)	-	-
JPY Institutional Class G	(7,533,479,179)	(7,240,897,191)	(292,581,988)	-
JPY Institutional Class I	(2,936,911,252)	-	(2,936,911,252)	-
USD Hedged Class A	(98,328,898)	(98,328,898)	-	-
USD Hedged Class C	(697,822,786)	(697,822,786)	-	-
USD Hedged Class E	(9,102,349,940)	(9,102,349,940)	-	-

*SPARX OneAsia Growth Equity Fund was terminated on 31 March 2022.

The accompanying notes form an integral part of these financial statements

SPARX Funds Plc

**STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO
HOLDERS OF REDEEMABLE PARTICIPATING SHARES
FOR THE YEAR ENDED 31 OCTOBER 2022 (CONTINUED)**

	TOTAL	SPARX JAPAN FUND	SPARX JAPAN SUSTAINABLE EQUITY FUND	SPARX ONEASIA GROWTH EQUITY FUND*
	2022	2022	2022	2022
	JPY	JPY	JPY	USD
<hr/>				
Payment on redemption of redeemable participating shares (continued)				
USD Institutional Class C	(1,312,633,732)	-	(286,392,578)	(6,902,498)
USD Institutional Class D	(94,080,051)	(94,080,051)	-	-
USD Institutional Class I	(99,490,951)	-	(99,490,951)	-
<hr/>				
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES AT 31 OCTOBER 2022	198,425,712,008	164,829,965,815	33,595,746,193	-

*SPARX OneAsia Growth Equity Fund was terminated on 31 March 2022.

The accompanying notes form an integral part of these financial statements

SPARX Funds Plc

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 OCTOBER 2023**

	TOTAL	SPARX	SPARX JAPAN
	2023	JAPAN FUND	SUSTAINABLE
	JPY	2023	EQUITY
		JPY	FUND*
			2023
			JPY
Cash flows from operating activities			
Profit attributable to holders of redeemable participating shares from operations	27,657,819,621	25,397,349,808	2,260,469,813
<i>Adjustments to reconcile profit for the year to net cash from operating activity</i>			
Purchases of investments	(74,682,039,634)	(59,345,511,738)	(15,336,527,896)
Sales of investments	162,157,378,735	111,741,119,343	50,416,259,392
Net realised (gain) on investments	(28,416,731,016)	(23,818,387,922)	(4,598,343,094)
Net unrealised loss on investments	2,287,665,725	22,190,027	2,265,475,698
Net unrealised loss on forward foreign exchange contracts	113,247,583	106,769,715	6,477,868
Distributions to redeemable participating shareholders	312,650,838	17,741,353	294,909,485
(Increase)/decrease in amounts due from shareholders	12,669,781	(4,547,389)	17,217,170
(Increase)/decrease in investments sold not yet settled	(551,996,708)	(695,404,378)	143,407,670
(Increase)/decrease in dividends receivable	199,065,350	(50,996,450)	250,061,800
(Increase)/decrease in other receivables	23,834,109	(13,373,327)	37,207,436
Increase/(decrease) in due to shareholders	2,451,430,447	2,476,313,742	(24,883,295)
(Decrease) in investments purchased not yet settled	(681,457,425)	(533,775,447)	(147,681,978)
(Decrease) in investment advisory fees payable	(99,020,111)	(53,767,188)	(45,252,923)
(Decrease)/increase in management fees payable	(6,939,521)	(7,458,463)	518,942
(Decrease) in administration fees payable	(2,048,180)	(827,454)	(1,220,726)
(Decrease) in depositary fees payable	(650,315)	(131,308)	(519,007)
Increase/(decrease) in other payables and accrued expenses	(28,340,087)	12,400,804	(40,740,891)
Net cash provided by operating activities	90,746,539,192	55,249,703,728	35,496,835,464

*SPARX Japan Sustainable Equity Fund was terminated on 29 June 2023.

The accompanying notes form an integral part of these financial statements

SPARX Funds Plc
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 OCTOBER 2023 (CONTINUED)

	TOTAL	SPARX	SPARX JAPAN
	2023	JAPAN FUND	SUSTAINABLE
	JPY	JPY	EQUITY
			FUND*
			2023
			JPY
Cash flows from financing activities			
Proceeds from issuance of redeemable participating shares	63,060,992,781	51,376,545,635	11,684,447,146
Payment on redemption of redeemable participating shares	(156,541,220,237)	(109,000,557,085)	(47,540,663,152)
Distributions to redeemable participating shareholders	(312,650,838)	(17,741,353)	(294,909,485)
Net cash (used in) financing activities	(93,792,878,294)	(57,641,752,803)	(36,151,125,491)
Net (decrease) in cash and cash equivalents	(3,046,339,102)	(2,392,049,075)	(654,290,027)
Cash at beginning of the year	5,412,432,229	4,749,760,542	662,671,687
Foreign exchange movement arising on aggregation	-	-	-
Cash and bank balance at end of the year	2,366,093,127	2,357,711,467	8,381,660
Cash and cash equivalents	2,366,093,127	2,357,711,467	8,381,660
	<u>2,366,093,127</u>	<u>2,357,711,467</u>	<u>8,381,660</u>
Supplemental disclosure of cash flow information			
Interest received		41,552	80,275
Interest paid		700,632	135,386
Dividend received		2,935,128,222	636,254,636

*SPARX Japan Sustainable Equity Fund was terminated on 29 June 2023.

The accompanying notes form an integral part of these financial statements

SPARX Funds Plc

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 OCTOBER 2022**

	TOTAL 2022 JPY	SPARX JAPAN FUND 2022 JPY	SPARX JAPAN SMALLER COMPANIES FUND* 2022 JPY	SPARX JAPAN SUSTAINABLE EQUITY FUND 2022 JPY	SPARX ONEASIA GROWTH EQUITY FUND** 2022 USD
Cash flows from operating activities					
Loss attributable to holders of redeemable participating shares from operations	(35,163,821,884)	(30,222,499,533)	-	(4,862,627,786)	(623,051)
<i>Adjustments to reconcile loss for the year to net cash from operating activity</i>					
Purchases of investments	(66,399,463,267)	(54,288,608,404)	-	(12,068,532,652)	(335,079)
Sales of investments	68,106,901,436	53,300,576,585	-	13,957,585,154	6,719,754
Net realised gain on investments	(7,629,269,094)	(7,561,152,127)	-	55,432,228	(978,180)
Net unrealised loss/(gain) on investments	46,358,420,577	41,160,511,896	-	5,003,101,770	1,542,351
Net unrealised (gain)/loss on forward foreign exchange	(249,152,985)	(240,230,091)	-	(8,922,894)	-
Distributions to redeemable participating shareholders	325,568,558	2,871,794	-	322,696,764	-
Decrease/(increase) in amounts due from shareholders	235,760,404	134,136,144	-	101,624,260	-
(Increase)/decrease in investments sold not yet settled	(411,020,708)	(324,233,773)	-	(86,786,935)	-
(Increase)/decrease in dividends receivable	(632,457,957)	(612,687,303)	-	(20,176,612)	3,570
Decrease/(increase) in other receivables	11,195,834	(1,471,902)	-	12,517,975	1,317
(Decrease)/increase in due to shareholders	(699,201,310)	(696,022,939)	-	(3,178,371)	-
(Decrease)/increase in investments purchased not yet settled	(650,931,516)	(433,361,590)	-	(217,569,926)	-
(Decrease)/increase in investment advisory fees payable	(55,268,325)	(51,299,791)	(176,131)	(3,174,937)	(5,430)
Increase/(decrease) in management fees payable	4,766,739	4,744,022	(1,463,665)	1,486,382	-
(Decrease)/increase in administration fees payable	(6,665,930)	(5,513,901)	-	(885,256)	(2,346)
(Decrease)/increase in depositary fees payable	(94,242)	752,597	-	(817,728)	(256)
Increase/(decrease) in other payables and accrued expenses	120,243,231	113,738,470	-	6,742,196	(2,088)
Net cash provided by/(used in) operating activities	3,265,509,561	280,250,154	(1,639,796)	2,188,513,632	6,320,562

* SPARX Japan Smaller Companies Fund terminated on 31 December 2020.

**SPARX OneAsia Growth Equity Fund was terminated on 31 March 2022.

The accompanying notes form an integral part of these financial statements

SPARX Funds Plc
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 OCTOBER 2022 (CONTINUED)

	TOTAL	SPARX	SPARX JAPAN	SPARX JAPAN	SPARX
	2022	JAPAN FUND	SMALLER	SUSTAINABLE	ONEASIA
	JPY	2022	COMPANIES	EQUITY	GROWTH
		JPY	FUND*	FUND	EQUITY
			2022	2022	FUND**
			JPY	JPY	2022
					USD
Cash flows from financing activities					
Proceeds from issuance of redeemable participating shares	82,972,577,155	72,864,481,264	-	10,108,095,891	-
Payment on redemption of redeemable participating shares	(89,175,456,707)	(75,822,540,961)	-	(12,326,674,592)	(6,902,498)
Distributions to redeemable participating shareholders	(325,568,558)	(2,871,794)	-	(322,696,764)	-
Net cash (used in) financing activities	(6,528,448,110)	(2,960,931,491)	-	(2,541,275,465)	(6,902,498)
Net (decrease) in cash and cash equivalents	(3,262,938,549)	(2,680,681,337)	(1,639,796)	(352,761,833)	(581,936)
Cash at beginning of the year	8,513,689,405	7,430,441,879	1,639,796	1,015,433,520	581,936
Foreign exchange movement arising on aggregation	161,681,373	-	-	-	-
Cash and cash equivalents at end of the year	5,412,432,229	4,749,760,542	-	662,671,687	-
Cash and cash equivalents	5,412,432,229	4,749,760,542	-	662,671,687	-
	5,412,432,229	4,749,760,542	-	662,671,687	-
Supplemental disclosure of cash flow information					
Interest received		780	-	11	6
Interest paid		691,322	-	850,913	-
Dividend received		2,067,186,262	-	708,756,573	4,968

*SPARX Japan Smaller Companies Fund was terminated on 31 December 2020.

**SPARX OneAsia Growth Equity Fund was terminated on 31 March 2022.

The accompanying notes form an integral part of these financial statements

SPARX Funds Plc

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2023

1. General

SPARX Funds Plc (the “Company”) is an open ended investment company with variable capital and limited liability incorporated in Ireland on 16 September 2003 under the Companies Act 2014. The Company is authorised by the Central Bank of Ireland pursuant to the provisions of the European Communities (Undertakings for Collective Investment in Transferable Securities) (“UCITS”) (Amendment) Regulations, 2016 and the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertaking for Collective Investments in Transferable Securities) Regulations 2019 (the “Central Bank UCITS Regulations”).

The Company is an umbrella fund. As of the date of this report the Company comprised two Sub-Funds, SPARX Japan Fund and SPARX Japan Sustainable Equity Fund* (which commenced trading on 27 June 2005 and 25 April 2018 respectively), in respect of which twenty-three classes of shares have been offered for investment by SPARX Japan Fund.

As of 31 October 2023, the following share classes of the Sub-Funds have shareholders.

SPARX Japan Fund

EUR Hedged Class A

EUR Hedged Class C

EUR Hedged Class F

EUR Institutional Class C

EUR Institutional Class E

GBP Hedged Class C

GBP Hedged Class E

GBP Hedged Class F

GBP Institutional Class C

GBP Institutional Class D

GBP Institutional Class E

GBP Institutional Class F

JPY Institutional Class A

JPY Institutional Class C

JPY Institutional Class E

JPY Institutional Class G

USD Hedged Class A

USD Hedged Class C

USD Institutional Class D

*SPARX Japan Sustainable Equity Fund was terminated on 29 June 2023.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2023 (CONTINUED)

1. General (continued)

The investment objective of the SPARX Japan Fund is to provide long-term capital growth by identifying and acquiring undervalued Japanese equities. The Sub-Fund will normally invest at least 80% of its assets in equity securities of Japanese companies and the rest of its assets in ancillary liquid assets such as money market instruments or cash deposits.

The investment objective of the SPARX Japan Sustainable Equity Fund is to to achieve sustainable capital growth by investing in shares of Japanese equities. The Sub-Fund will normally invest at least 80% of its assets in equity securities of Japanese companies and the rest of its assets in ancillary liquid assets such as money market instruments or cash deposits.

2. Significant Accounting Policies

The significant accounting policies adopted by the Company are as follows:

(a) Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) issued by the International Accounting Standards Board (“IASB”), as adopted for use in the European Union and interpretations issued by the International Financial Reporting Interpretations Committee of the IASB.

(b) Basis of preparation

The financial statements have been prepared on a going concern basis under the historical cost basis convention, except for financial instruments classified at fair value through profit or loss that have been measured at fair value.

The financial statements and notes other than SPARX OneAsia Growth Equity Fund are presented in Japanese Yen. The financial statements and notes of SPARX OneAsia Growth Equity Fund are presented in USD. The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Management believes that the estimates utilised in preparing its financial statements are reasonable and prudent. Actual results could differ from these estimates.

After reviewing the future financial operational budgets and strategy for the business, along with making other appropriate enquiries, the Directors consider that the Company has adequate resources to continue in business for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

(c) Financial assets at fair value through profit or loss

(i) Classification

The Company classifies and measures financial assets and liabilities in accordance with IFRS 9, Financial Instruments (“IFRS 9”). Upon initial recognition, financial assets and liabilities are classified as fair value through profit or loss (“FVTPL”). Financial assets and liabilities include equities and derivatives. All derivatives in a net receivable position (positive fair value) and all derivatives in a net payable position (negative fair value) will continue to be measured at fair value with all changes being recognised in profit or loss. These instruments are acquired principally for the purpose of generating profit from short-term fluctuations in price.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2023 (CONTINUED)

2. Significant Accounting Policies (continued)

(ii) Recognition

All regular way purchases and sales of financial instruments are recognised on the trade date, which is the date that the Company commits to purchase or sell an asset. Regular way purchases or sales are purchases or sales of financial instruments that require delivery of assets within the year generally established by regulation or convention in the market place. Realised gains and losses on disposals of financial instruments are calculated using the weighted average cost method.

(iii) Derecognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition in accordance with IFRS 9.

The Company derecognises a financial liability when the obligation specified in the contract is discharged, cancelled or expires.

(iv) Initial measurement

Financial instruments categorised at fair value through profit or loss is recognised initially at fair value, with transaction costs for such instruments being recognised directly in the Statement of Comprehensive Income. Financial instruments, other than those as at fair value through the profit or loss, are recognised initially at cost.

(v) Subsequent measurement

After initial measurement, the Company measures financial instruments which are classified as fair value through profit or loss at their fair values. Fair value is the amount for which an asset could be exchanged between knowledgeable, willing parties in an arm's length transaction. The fair value of financial instruments is based on their quoted market prices on a recognised exchange, or sourced from a reputable broker/counterparty in the case of non-exchange traded instruments, at the Statement of Financial Position date without any deduction for estimated future selling costs. Financial assets and financial liabilities are priced at their last traded price.

Subsequent changes in the fair value of financial instruments at fair value through profit or loss are recognised in the Statement of Comprehensive Income.

(d) Impairment of financial assets

The Company assesses at each Statement of Financial Position date whether there is any objective evidence that a financial asset or group of financial assets is impaired. A financial asset or group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial assets that can be reliably estimated.

(e) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the Statement of Financial Position when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

(f) Cash and cash equivalents

Cash comprises cash on hand and demand deposits. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value and are held for the purpose of the meeting of short-term cash commitments rather than for investments or other purposes.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2023 (CONTINUED)

2. Significant Accounting Policies (continued)

(g) *Forward currency contracts*

A forward currency contract involves an obligation to purchase or sell a specific currency at a future date, at a price set at the time the contract is made. Forward currency contracts are valued by reference to the forward price at which a new forward contract of the same size and maturity could be undertaken at the valuation date. The unrealised gain or loss on open forward currency contracts is calculated as the difference between the contract rate and this forward price. Forward currency contracts are entered into where applicable to hedge the Company's overall currency risk. Realised gains/(losses) and changes in unrealised gains/(losses) on forward currency contracts are recognised in the Statement of Comprehensive Income.

(h) *Foreign currency translation*

(i) *Functional and presentation currency*

Items included in each Sub-Funds' financial statements other than SPARX OneAsia Growth Equity Fund are measured and presented using Japanese Yen. Items included in the financial statements of the SPARX OneAsia Growth Equity Fund are measured and presented using US Dollar.

(ii) *Foreign currency transactions*

Monetary assets and liabilities denominated in currencies other than the presentation currency are translated into the presentation currency at the closing rates of exchange at each year end. Transactions during the year, including purchases and sales of securities, income and expenses, are translated at the rate of exchange prevailing on the date of the transaction. Foreign currency transaction gains and losses are included in the Statement of Comprehensive Income.

(i) *Investments sold and purchased not yet settled*

Investments sold and purchased not yet settled represents receivables for securities sold and payables for securities purchased that have been contracted for but not yet settled or delivered on the Statement of Financial Position date, respectively.

These amounts are recognised initially at fair value and subsequently measured at amortised cost, less provision for impairment for amount due from depositary, if any.

(j) *Interest income and interest expense*

Interest income and interest expense are recognised on an accruals basis in line with the contractual terms. Interest is accrued on a daily basis.

(k) *Expenses*

All expenses, including management fees, are recognised in the Statement of Comprehensive Income on an accruals basis.

(l) *Dividend income*

Dividends are credited to the Statement of Comprehensive Income on the dates on which the relevant securities are listed as "ex-dividend". Income is shown gross of any non-recoverable withholding taxes, which are disclosed separately in the Statement of Comprehensive Income, and net of any tax credits.

(m) *Redeemable participating shares*

Redeemable participating shares are redeemable at the shareholder's option and are classified as financial liabilities.

The participating shares can be put back to the Company on any dealing day for cash equal to a proportionate share of the Company's Net Asset Value.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2023 (CONTINUED)

2. Significant Accounting Policies (continued)

(n) *Share capital*

The Company's subscriber shares are classified as equity in accordance with the Company's articles of association. These shares do not participate in the profits of the Company.

(o) *Transaction costs*

Transaction costs are incremental costs, which are separately identifiable and directly attributable to the acquisition, issue or disposal of a financial asset or financial liability. Transaction costs include fees and commissions paid to brokers and counterparties and fees paid to the Depository on trade settlement.

(p) *Use of accounting judgements and estimates*

The Directors make estimates and judgements that affect the reported amount of assets and liabilities. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

No significant estimates or judgements were made for either year ended 31 October 2023 or 31 October 2022.

(q) *Distributions to holders of redeemable participating shares*

Distributions to holders of redeemable participating shares are recorded in the Statement of Comprehensive Income as finance costs when authorised.

Accounting Standards not yet effective and not early adopted

There are no new standards, interpretations to standards or amendments to standards that have been issued and are not yet effective, which would have a material impact on the financial statements of the Company.

SPARX Funds Plc

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2023 (CONTINUED)**

3. Financial Assets and Liabilities at Fair Value through Profit or Loss

	Total	SPARX
	2023	Japan
	JPY	Fund
		2023
		JPY
Financial Assets		
- listed equity securities held for trading	130,849,444,790	130,849,444,790
- forward currency contracts	36,767,533	36,767,533
Total	130,886,212,323	130,886,212,323

	Total	SPARX
	2023	Japan
	JPY	Fund
		2023
		JPY
Financial Liabilities		
- forward currency contracts	(236,721)	(236,721)
Total	(236,721)	(236,721)

SPARX Japan Sustainable Equity Fund was terminated on 29 June 2023 and did not hold any assets and liabilities at fair value through profit or loss at year end.

	Total	SPARX	SPARX
	2022	Japan	Japan
	JPY	Fund	Sustainable
		2022	Equity Fund
		JPY	2022
			JPY
Financial Assets			
- listed equity securities held for trading	192,195,718,600	159,448,854,500	32,746,864,100
- forward currency contracts	172,608,249	166,120,180	6,488,069
Total	192,368,326,849	159,614,974,680	32,753,352,169

	Total	SPARX	SPARX
	2022	Japan	Japan
	JPY	Fund	Sustainable
		2022	Equity Fund
		JPY	2022
			JPY
Financial Liabilities			
- forward currency contracts	(22,829,854)	(22,819,653)	(10,201)
Total	(22,829,854)	(22,819,653)	(10,201)

SPARX OneAsia Growth Equity Fund was terminated on 31 March 2022 and did not hold any assets and liabilities at fair value through profit or loss at year end.

SPARX Funds Plc

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2023 (CONTINUED)**

3. Financial Assets and Liabilities at Fair Value through Profit or Loss (continued)

The following table presents the financial instruments carried on the Statement of Financial Position by caption and by Level within the valuation hierarchy as at 31 October 2023:

SPARX Japan Fund	Level 1 JPY	Level 2 JPY	Level 3 JPY	Total JPY
Financial assets at fair value through profit or loss				
- listed equity securities held for trading	130,849,444,790	-	-	130,849,444,790
- forward currency contracts	-	36,767,533	-	36,767,533
Total	130,849,444,790	36,767,533	-	130,886,212,323
	Level 1 JPY	Level 2 JPY	Level 3 JPY	Total JPY
Financial liabilities at fair value through profit or loss				
- forward currency contracts	-	(236,721)	-	(236,721)
Total	-	(236,721)	-	(236,721)

SPARX Japan Sustainable Equity Fund was terminated on 29 June 2023 and did not hold any assets and liabilities at fair value through profit or loss at year end.

The following table presents the financial instruments carried on the Statement of Financial Position by caption and by Level within the valuation hierarchy as at 31 October 2022:

SPARX Japan Fund	Level 1 JPY	Level 2 JPY	Level 3 JPY	Total JPY
Financial assets at fair value through profit or loss				
- listed equity securities held for trading	159,448,854,500	-	-	159,448,854,500
- forward currency contracts	-	166,120,180	-	166,120,180
Total	159,448,854,500	166,120,180	-	159,614,974,680
	Level 1 JPY	Level 2 JPY	Level 3 JPY	Total JPY
Financial liabilities at fair value through profit or loss				
- forward currency contracts	-	(22,819,653)	-	(22,819,653)
Total	-	(22,819,653)	-	(22,819,653)

SPARX Funds Plc

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2023 (CONTINUED)**

3. Financial Assets and Liabilities at Fair Value through Profit or Loss (continued)

SPARX Japan Sustainable Equity

Fund	Level 1 JPY	Level 2 JPY	Level 3 JPY	Total JPY
Financial assets at fair value through profit or loss				
- listed equity securities held for trading	32,746,864,100	-	-	32,746,864,100
- forward currency contracts	-	6,488,069	-	6,488,069
Total	32,746,864,100	6,488,069	-	32,753,352,169
	Level 1 JPY	Level 2 JPY	Level 3 JPY	Total JPY
Financial liabilities at fair value through profit or loss				
- forward currency contracts	-	(10,201)	-	(10,201)
Total	-	(10,201)	-	(10,201)

Investments

Investments whose values are based on quoted market prices in active markets are classified within Level 1. These include active listed equities. The Directors do not adjust the quoted price for such instruments, even in situations where the Company holds a large position and a sale could reasonably impact the quoted price.

Investments that trade in markets that are not considered to be active, but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within Level 2. At the year end, the Company held forward currency contracts categorised as Level 2 securities.

Investments classified within Level 3 have significant unobservable inputs, as they trade infrequently or not at all. At the year end, the Company did not hold any Level 3 securities (2022: Nil).

There were no transfers between Level 1 and Level 2 during the year (2022: None).

Assets and liabilities not carried at fair value but for which fair value was disclosed

The Sub-Funds did not disclose the fair value for cash balances, other receivables and, other payables and accrued expenses, because their carrying amounts were in a reasonable approximation of fair value. Cash balances have been classified within Level 1 and the rest of the assets and liabilities have been classified within Level 2.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2023 (CONTINUED)

3. Financial Assets and Liabilities at Fair Value through Profit or Loss (continued)

Offsetting Financial Assets and Financial Liabilities

As at 31 October 2023, the Sub-Funds are subject to an enforceable master netting arrangement in the form of an ISDA agreement with the derivative counterparties. Under the terms of this agreement, offsetting of derivative contracts is permitted only in the event of bankruptcy or default of either party to the agreement. No financial assets or liabilities, subject to enforceable master netting arrangements or similar arrangements, are presented on a net basis in the Statement of Financial Position of the Sub-Funds as at 31 October 2023. The gross amounts of unrealised gains and losses on forwards, by contract, are disclosed in the Schedule of Investments of the Sub-Funds. As at 31 October 2023, the amount of unrealised gains on open forwards offset against unrealised losses was JPY 36,530,812 (2022: JPY 149,778,395).

The following table summarises the net financial assets as at 31 October 2023:

SPARX Japan Fund

Offsetting of Financial Assets, Derivative Assets and Collateral received:

	(i)	(ii)		(iii)=(ii)+(i)
		Gross assets not offset in the statement of financial position		
	Gross amounts of assets in the statement of financial position	Cash collateral received	Financial instruments	Net amount
Financial Assets	JPY	JPY	JPY	JPY
Forward currency contracts	36,767,533	-	(236,721)	36,530,812
Total	36,767,533	-	(236,721)	36,530,812

SPARX Japan Fund

Offsetting of Financial Liabilities, Derivative Liabilities and Collateral pledged:

	(i)	(ii)		(iii)=(ii)+(i)
		Gross assets not offset in the statement of financial position		
	Gross amounts of liabilities in the statement of financial position	Cash collateral pledged	Financial instruments	Net amount
Financial Liabilities	JPY	JPY	JPY	JPY
Forward currency contracts	236,721	-	(236,721)	-
Total	236,721	-	(236,721)	-

SPARX Japan Sustainable Equity Fund was terminated on 29 June 2023 and did not hold any forward contracts at year end.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2023 (CONTINUED)

3. Financial Assets and Liabilities at Fair Value through Profit or Loss (continued)

The following table summarises the net financial assets as at 31 October 2022:

SPARX Japan Fund

Offsetting of Financial Assets, Derivative Assets and Collateral received:

	(i)	(ii)		(iii)=(ii)+(i)
	Gross amounts of assets in the statement of financial position JPY	Gross assets not offset in the statement of financial position		Net amount JPY
Financial Assets		Cash collateral received JPY	Financial instruments JPY	
Forward currency contracts	166,120,180	-	(22,819,653)	143,300,527
Total	166,120,180	-	(22,819,653)	143,300,527

Offsetting of Financial Liabilities, Derivative Liabilities and Collateral pledged:

	(i)	(ii)		(iii)=(ii)+(i)
	Gross amounts of liabilities in the statement of financial position JPY	Gross assets not offset in the statement of financial position		Net amount JPY
Financial Liabilities		Cash collateral pledged JPY	Financial instruments JPY	
Forward currency contracts	22,819,653	-	(22,819,653)	-
Total	22,819,653	-	(22,819,653)	-

SPARX Japan Sustainable Equity Fund

Offsetting of Financial Assets, Derivative Assets and Collateral received:

	(i)	(ii)		(iii)=(ii)+(i)
	Gross amounts of assets in the statement of financial position JPY	Gross assets not offset in the statement of financial position		Net amount JPY
Financial Assets		Cash collateral received JPY	Financial instruments JPY	
Forward currency contracts	6,488,069	-	(10,201)	6,477,868
Total	6,488,069	-	(10,201)	6,477,868

SPARX Funds Plc

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2023 (CONTINUED)**

3. Financial Assets and Liabilities at Fair Value through Profit or Loss (continued)

The following table summarises the net financial assets as at 31 October 2022: (continued)

SPARX Japan Sustainable Equity Fund (continued)

Offsetting of Financial Liabilities, Derivative Liabilities and Collateral pledged:

	(i)	(ii)		(iii)=(ii)+(i)
	Gross amounts of liabilities in the statement of financial position JPY	Gross assets not offset in the statement of financial position		Net amount JPY
Financial Liabilities		Cash collateral pledged JPY	Financial instruments JPY	
Forward currency contracts	10,201	-	(10,201)	-
Total	10,201	-	(10,201)	-

4. Investments Sold Not Yet Settled and Investments Purchased Not Yet Settled

Investments sold not yet settled represent receivables for securities sold and Investments purchased not yet settled represent payables for securities purchased.

	Total 2023 JPY	SPARX Japan Fund 2023 JPY
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Investments sold not yet settled

Receivables for securities sold	2,078,700,422	2,078,700,422
Total	2,078,700,422	2,078,700,422

	Total 2023 JPY	SPARX Japan Fund 2023 JPY
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Investments purchased not yet settled

Payables for securities purchased	89,249,309	89,249,309
Total	89,249,309	89,249,309

SPARX Japan Sustainable Equity Fund was terminated on 29 June 2023 and did not hold any balances on these accounts at year end.

SPARX Funds Plc

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2023 (CONTINUED)

4. Investments Sold Not Yet Settled and Investments Purchased Not Yet Settled (continued)

	Total	SPARX	SPARX Japan
	2022	Japan Fund	Sustainable
	JPY	2022	Equity Fund
		2022	2022
		JPY	JPY
Investments sold not yet settled			
Receivables for securities sold	1,526,703,714	1,383,296,044	143,407,670
Total	<u>1,526,703,714</u>	<u>1,383,296,044</u>	<u>143,407,670</u>

	Total	SPARX	SPARX Japan
	2022	Japan Fund	Sustainable
	JPY	2022	Equity Fund
		2022	2022
		JPY	JPY
Investments purchased not yet settled			
Payables for securities purchased	770,706,734	623,024,756	147,681,978
Total	<u>770,706,734</u>	<u>623,024,756</u>	<u>147,681,978</u>

5. Other receivables

	Total	SPARX
	2023	Japan Fund
	JPY	2023
		JPY
Other receivables	15,046,938	15,046,938
Total	<u>15,046,938</u>	<u>15,046,938</u>

SPARX Japan Sustainable Equity Fund was terminated on 29 June 2023 and did not hold any balances on these accounts at year end.

	Total	SPARX	SPARX Japan
	2022	Japan Fund	Sustainable
	JPY	2022	Equity Fund
		JPY	2022
		JPY	JPY
Other receivables	38,881,047	1,673,611	37,207,436
Total	<u>38,881,047</u>	<u>1,673,611</u>	<u>37,207,436</u>

SPARX Funds Plc

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2023 (CONTINUED)**

6. Cash and Cash Equivalents

All cash and cash equivalents are deposited with HSBC Bank plc. Cash comprises cash on hand and demand deposits. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value and are held for the purpose of the meeting short-term cash commitments rather than for investments or other purposes. Details of the overdraft facility are disclosed in Note 19.

7. Other Payables and Accrued Expenses

	Total	SPARX Japan Fund	SPARX Sustainable Equity Fund*
	2023	2023	2023
	JPY	JPY	JPY
Audit fees accrued	7,296,945	5,556,750	1,740,195
Directors' fees payable	3,033,035	3,033,035	-
Withholding tax payable	204,706,117	204,706,117	-
Legal fees accrued	37,740,164	37,740,164	-
Other payables	4,089,278	321,948	3,767,330
Total	256,865,539	251,358,014	5,507,525

SPARX Japan Sustainable Equity Fund was terminated on 29 June 2023.

	Total	SPARX Japan Fund	SPARX Sustainable Equity Fund
	2022	2022	2022
	JPY	JPY	JPY
Audit fees accrued	5,174,618	4,515,178	659,440
Directors' fees payable	7,363,308	5,726,520	1,636,788
Withholding tax payable	235,192,975	196,896,008	38,296,967
Legal fees accrued	35,887,415	30,706,749	5,180,666
Other payables	1,587,310	1,112,755	474,555
Total	285,205,626	238,957,210	46,248,416

The carrying amounts of other payables and accrued expenses approximate their fair values.

SPARX Funds Plc

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2023 (CONTINUED)**

8. Fees and Expenses

Investment Advisory fees

SPARX Asset Management Co., Ltd. (the “Investment Advisor”) is entitled to a fee as follows on the Net Asset Value of each class of SPARX Japan Fund and SPARX Japan Sustainable Equity Fund. The Investment Advisor is also entitled to be reimbursed its out-of-pocket expenses out of the assets of the Company.

	SPARX Japan Fund
	%
CHF Hedged Class A	1.50
CHF Hedged Class C	0.90
EUR Hedged Class A	1.50
EUR Hedged Class C	0.90
EUR Hedged Class F	0.75
EUR Institutional Class C	0.90
EUR Institutional Class E	0.75
GBP Hedged Class A	1.50
GBP Hedged Class C	0.90
GBP Hedged Class E	0.75
GBP Hedged Class F	0.75
GBP Institutional Class C	0.90
GBP Institutional Class D	0.90
GBP Institutional Class E	0.75
GBP Institutional Class F	0.75
JPY Institutional Class A	1.50
JPY Institutional Class C	0.90
JPY Institutional Class E	0.75
JPY Institutional Class G	0.65
USD Institutional Class D	0.90
USD Hedged Class A	1.50
USD Hedged Class C	0.90
USD Hedged Class E	0.75
	SPARX Japan Sustainable Equity Fund*
	%
EUR Hedged Class E	0.75
EUR Hedged Class I	0.35
EUR Institutional Class A	1.50
EUR Institutional Class C	0.90
EUR Institutional Class I	0.35
EUR Institutional Class J	0.35
GBP Hedged Class E	0.75
GBP Hedged Class I	0.35
GBP Hedged Class J	0.35
GBP Institutional Class E	0.75
GBP Institutional Class F	0.75
GBP Institutional Class J	0.35
GBP Institutional Class I	0.35

SPARX Funds Plc
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2023 (CONTINUED)

8. Fees and Expenses

Investment Advisory fees (continued)

JPY Institutional Class A	1.50
JPY Institutional Class C	0.90
JPY Institutional Class E	0.75
JPY Institutional Class G	0.65
JPY Institutional Class I	0.35
SEK Institutional Class A	1.50
SEK Institutional Class C	0.90
USD Hedged Class A	1.50
USD Hedged Class C	0.90
USD Hedged Class E	0.75
USD Hedged Class I	0.35
USD Institutional Class I	0.35
USD Institutional Class C	0.90

*SPARX Japan Sustainable Equity Fund was terminated on 29 June 2023.

Investment Advisory fees (continued)

Total Investment advisory fees charged for the year ended 31 October 2023 were JPY 1,147,515,579 (2022: JPY 1,469,941,770). Total Investment Advisory fees payable at 31 October 2023 were JPY 367,726,317 (2022: JPY 466,746,428).

Management fees

Bridge Fund Management Limited (the “Manager”) is entitled to a fee of 0.0275% on the Net Asset Value of SPARX Japan Fund and SPARX Japan Sustainable Equity fund.

Total management fees charged for the year ended 31 October 2023 were JPY 48,745,253 (2022: JPY 59,415,127). Total management fees payable at 31 October 2023 were JPY 3,403,882 (2022: JPY 10,343,403).

Administration and Depositary fees

The Company pays HSBC Securities Services (Ireland) DAC (the “Administrator”) and HSBC Continental Europe (the “Depositary”) out of the assets of each Sub-Fund an annual fee, accrued at each valuation point and payable monthly in arrears.

The Administrator was entitled to a fee of 0.04% per annum of the net asset value of each Sub-Fund for first US\$500 million, a fee of 0.035% per annum of the net asset value for next US\$500 million, a fee of 0.03% per annum of the net asset value for next US\$1 billion and a fee of 0.015% per annum of the net asset value for over US\$2 billion subject to a minimum annual fee of US\$35,000 per Sub-Fund. The Administrator had waived the minimum fees on new Sub-Funds including SPARX OneAsia Growth Equity Fund. The Company will pay annual fees of US\$5,000 per Sub-Fund per set of annual and interim financial statements for the Company. The Administrator is also entitled to any reasonable out-of-pocket expenses incurred on behalf of the Company.

The Depositary was entitled to a fee of 0.015% per annum of the net asset value of each Sub-Fund for first US\$500 million, a fee of 0.0125% per annum of the net asset value for next US\$500 million, a fee of 0.01% per annum of the net asset value for next US\$1 billion and a fee of 0.005% per annum of the net asset value over US\$2 billion, subject to a minimum annual fee of US\$25,000 per Sub-Fund. The Depositary had waived the minimum fees on new Sub-Funds including SPARX OneAsia Growth Equity Fund. The Depositary is also entitled to any reasonable out-of-pocket expenses incurred on behalf of the Company.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2023 (CONTINUED)**

8. Fees and Expenses (continued)

Administration and Depositary fees (continued)

Administration fees charged for the year ended 31 October 2023 were JPY 100,767,228 (2022: JPY 149,499,225) and depositary fees charged were JPY 22,859,565 (2022: JPY 33,304,428). Administration fees payable at 31 October 2023 were JPY 5,091,046 (2022: JPY 7,139,226) and depositary fees payable were JPY 4,912,221 (2022: JPY 5,562,536).

The Administrator has received a fee for hedging services. Hedging service fees for the year ended 31 October 2023 were JPY 13,131,280 (2022: JPY 32,911,115).

Directors' fees and expenses

The Directors are entitled to a fee and remuneration for their services at a rate to be determined by the Directors up to a maximum in aggregate of EUR 75,000 per annum. Mr. Alan Ng and Ms Satomi Fujii have waived their entitlement to receive remuneration. Directors may be entitled to special remuneration if called upon to perform any special or extra services to the Company. All Directors are entitled to reimbursement by the Company of expenses properly incurred in connection with the business of the Company or the discharge of their duties.

Directors' fees charged for the year amounted to JPY 5,248,540 (2022: JPY 5,773,118), of which JPY 3,033,035 (2022: JPY 7,363,308) was payable at the year end.

Auditors' remuneration

Audit fees charged by the statutory auditor, Grant Thornton, for the year amounted to JPY 5,694,323 (2022: JPY 5,512,488) of which 7,296,945 (2022: JPY 5,174,618) was payable at the year end. Fees accrued to the statutory auditors, Grant Thornton, in respect of the year ended 31 October 2023, and the year ended 31 October 2022, related entirely to the audit of the financial statements of the Company.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2023 (CONTINUED)

9. Share Capital and Redeemable Participating Shares

Authorised

The authorised share capital of the Company is 5,000,000,000 shares of no par value and EUR 40,000 divided into 40,000 redeemable non-participating subscriber shares of EUR 1.00 each.

Share Capital (“Non Participating Subscriber Shares”)

Two Non-Participating Subscriber Shares amount to EUR 2.00 being subscriber shares of EUR 1.00 each, are held by SPARX Asset Management Co., Ltd. and SPARX Group Co., Ltd. The Non-Participating Subscriber Shares do not form part of the net asset value of the Company and are thus disclosed in the financial statements by way of this note only. In the opinion of the Directors, this disclosure reflects the nature of the Company’s business as an investment fund.

The rights attaching to the participating shares are as follows:

Redeemable Participating Shares

The net assets attributable to holders of redeemable participating shares are at all times equal to the net asset value of the Company. The participating shares are in substance a liability of the Company to shareholders under IAS 32 as they can be redeemed at the option of the shareholder.

The movement in the number of participating shares is as follows:

SPARX Japan Fund	2023	2022
JPY Institutional Class A		
At beginning of year	101,193	106,823
Issued	33,778	9,038
Redeemed	(52,210)	(14,668)
At end of year	<u>82,761</u>	<u>101,193</u>
JPY Institutional Class C		
At beginning of year	381,372	380,992
Issued	100,360	152,014
Redeemed	(184,340)	(151,634)
At end of year	<u>297,392</u>	<u>381,372</u>
JPY Institutional Class E		
At beginning of year	3,953,901	5,005,607
Issued	18,918	1,731,949
Redeemed	(2,775,167)	(2,783,655)
At end of year	<u>1,197,652</u>	<u>3,953,901</u>
JPY Institutional Class G		
At beginning of year	6,459,918	4,819,963
Issued	2,074,036	2,245,541
Redeemed	(2,947,576)	(605,586)
At end of year	<u>5,586,378</u>	<u>6,459,918</u>
USD Hedged Class A		
At beginning of year	20,863	24,012
Issued	-	817
Redeemed	(1,495)	(3,966)
At end of year	<u>19,368</u>	<u>20,863</u>

SPARX Funds Plc

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2023 (CONTINUED)**

9. Share Capital and Redeemable Participating Shares (continued)

SPARX Japan Fund (continued)	2023	2022
USD Hedged Class C		
At beginning of year	34,862	59,022
Issued	1,581	7,256
Redeemed	(6,654)	(31,416)
At end of year	<u>29,789</u>	<u>34,862</u>
USD Hedged Class E		
At beginning of year	13,920	364,782
Issued	-	-
Redeemed	(13,920)	(350,862)
At end of year	<u>-</u>	<u>13,920</u>
USD Institutional Class D		
At beginning of year	7,610	2,487
Issued	8	12,623
Redeemed	(7,175)	(7,500)
At end of year	<u>443</u>	<u>7,610</u>
EUR Hedged Class A		
At beginning of year	4,034	6,548
Issued	-	-
Redeemed	(1,664)	(2,514)
At end of year	<u>2,370</u>	<u>4,034</u>
EUR Hedged Class C		
At beginning of year	9,142	21,633
Issued	72,432	5,729
Redeemed	(72,775)	(18,220)
At end of year	<u>8,799</u>	<u>9,142</u>
EUR Hedged Class F		
At beginning of year	64,300	198,300
Issued	32,600	176,000
Redeemed	(35,600)	(310,000)
At end of year	<u>61,300</u>	<u>64,300</u>
EUR Institutional Class C		
At beginning of year	-	-
Issued	113,808	-
Redeemed	-	-
At end of year	<u>113,808</u>	<u>-</u>
EUR Institutional Class E		
At beginning of year	34,522	7,900
Issued	8,938	26,622
Redeemed	(5,116)	-
At end of year	<u>38,344</u>	<u>34,522</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2023 (CONTINUED)**

9. Share Capital and Redeemable Participating Shares (continued)

SPARX Japan Fund (continued)	2023	2022
GBP Hedged Class C		
At beginning of year	61,295	167,488
Issued	164	57,349
Redeemed	(12,609)	(163,542)
At end of year	<u>48,850</u>	<u>61,295</u>
GBP Hedged Class E		
At beginning of year	525,640	407,899
Issued	33,914	216,636
Redeemed	(490,022)	(98,895)
At end of year	<u>69,532</u>	<u>525,640</u>
GBP Hedged Class F		
At beginning of year	35,115	30,799
Issued	1,552	12,456
Redeemed	(34,958)	(8,140)
At end of year	<u>1,709</u>	<u>35,115</u>
GBP Institutional Class C		
At beginning of year	286,727	106,994
Issued	8,322	279,052
Redeemed	(286,677)	(99,319)
At end of year	<u>8,372</u>	<u>286,727</u>
GBP Institutional Class D		
At beginning of year	29,845	10,025
Issued	268	20,569
Redeemed	(28,093)	(749)
At end of year	<u>2,020</u>	<u>29,845</u>
GBP Institutional Class E		
At beginning of year	565,532	757,588
Issued	814,869	127,734
Redeemed	(591,879)	(319,790)
At end of year	<u>788,522</u>	<u>565,532</u>
GBP Institutional Class F		
At beginning of year	15,093	15,105
Issued	22,707	2,249
Redeemed	(4,690)	(2,261)
At end of year	<u>33,110</u>	<u>15,093</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2023 (CONTINUED)**

9. Share Capital and Redeemable Participating Shares (continued)

SPARX Japan Sustainable Equity Fund	2023	2022
JPY Institutional Class C		
At beginning of year	1,359	3
Issued	39,689	1,357
Redeemed	(41,048)	(1)
At end of year	<u>-</u>	<u>1,359</u>
JPY Institutional Class I		
At beginning of year	27,848	221,834
Issued	3,632	31,328
Redeemed	(31,480)	(225,314)
At end of year	<u>-</u>	<u>27,848</u>
JPY Institutional Class G		
At beginning of year	79,969	31,300
Issued	954,760	77,180
Redeemed	(1,034,729)	(28,511)
At end of year	<u>-</u>	<u>79,969</u>
GBP Institutional Class E		
At beginning of year	51,732	57,160
Issued	5,509	43,260
Redeemed	(57,241)	(48,688)
At end of year	<u>-</u>	<u>51,732</u>
GBP Institutional Class F		
At beginning of year	1,991	123,759
Issued	-	1,992
Redeemed	(1,991)	(123,760)
At end of year	<u>-</u>	<u>1,991</u>
GBP Institutional Class I		
At beginning of year	135,009	113,880
Issued	10,846	25,082
Redeemed	(145,855)	(3,953)
At end of year	<u>-</u>	<u>135,009</u>
GBP Institutional Class J		
At beginning of year	1,432,832	1,380,724
Issued	30,650	338,579
Redeemed	(1,463,482)	(286,471)
At end of year	<u>-</u>	<u>1,432,832</u>
GBP Hedged Class E		
At beginning of year	805	805
Issued	378	225
Redeemed	(1,183)	(225)
At end of year	<u>-</u>	<u>805</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2023 (CONTINUED)**

9. Share Capital and Redeemable Participating Shares (continued)

SPARX Japan Sustainable Equity Fund (continued)	2023	2022
GBP Hedged Class I		
At beginning of year	17,521	14,469
Issued	6,819	7,559
Redeemed	(24,340)	(4,507)
At end of year	<u>-</u>	<u>17,521</u>
USD Institutional Class I		
At beginning of year	48,470	38,816
Issued	12,906	18,441
Redeemed	(61,376)	(8,787)
At end of year	<u>-</u>	<u>48,470</u>
USD Institutional Class C*		
At beginning of year	-	-
Issued	-	22,499
Redeemed	-	(22,499)
At end of year	<u>-</u>	<u>-</u>
EUR Hedged Class I		
At beginning of year	-	27,800
Issued	-	3,350
Redeemed	-	(31,150)
At end of year	<u>-</u>	<u>-</u>
EUR Institutional Class C		
At beginning of year	95,000	100,000
Issued	33,620	-
Redeemed	(128,620)	(5,000)
At end of year	<u>-</u>	<u>95,000</u>
EUR Institutional Class I		
At beginning of year	13,424	6,068
Issued	3,139	9,067
Redeemed	(16,563)	(1,711)
At end of year	<u>-</u>	<u>13,424</u>

* launched on 18 August 2022.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2023 (CONTINUED)**

9. Share Capital and Redeemable Participating Shares (continued)

SPARX Japan Sustainable Equity Fund (continued)	2023	2022
SEK Institutional A Class		
At beginning of year	-	-
Issued	10	-
Redeemed	(10)	-
At end of year	<u>-</u>	<u>-</u>

There was no redeemable participating shares as of 31 Oct 2023 and 2022 for SPARX OneAsia Growth Equity Fund.

Participating shares may be redeemed on each dealing date or such other date or dates as the Board of Directors shall from time to time determine (Valuation Day) at the net asset value per share based on last traded prices. The shareholder must request such redemption with 2 business days' notice prior to the dealing date or such other day as the Directors may determine.

The holders are entitled to receive all dividends declared and paid by the Company. Upon winding up, the holders are entitled to a return of capital based on the net asset value per share of the Company.

10. Dividends to shareholders

The Directors are empowered to declare and pay dividends for shares of any Sub-Fund in the Company. It is the Directors current intention to declare and pay a dividend to the shareholders where distributable income is available. Shareholders may however decide to have this dividend re-invested in shares upon request.

Sub-Funds may declare dividends in respect of each Class of Shares, payable out of the net income and net realised and unrealised gains less accrued expenses of the Sub-Funds, subject to certain adjustments, attributable to the Shares. Dividends are usually declared annually and paid to Shareholders within 2 months of the date of declaration. SPARX Japan Fund declared dividends of JPY 17,741,353 (2022: JPY 2,871,794) for shareholders of EUR Hedged Class F Shares, GBP Institutional Class D Shares, USD Institutional Class D Shares, GBP Institutional Class F Shares and GBP Hedged Class F Shares and SPARX Japan Sustainable Equity Fund declared dividend of JPY 294,909,485 (2022: JPY 322,696,764) for shareholders of GBP Institutional J Class Shares and GBP Institutional Class F Shares during the year ended 31 October 2023. No other Sub-Fund has declared dividends for the year (2022: None).

11. Taxation

The Company qualifies as an investment undertaking as defined in Section 739B of the Taxes Consolidation Act, 1997, as amended. It is not chargeable to Irish tax on its income or gains. However, Irish tax may arise on the happening of a "chargeable event". A chargeable event includes any distribution payments to shareholders or any encashment, redemption or transfer of shares. Following legislative changes in the Finance Act 2006, the holding of shares at the end of a relevant year will, in respect of Irish Resident investors, also constitute a chargeable event. To the extent that any tax issues arise on such a chargeable event, such tax will be allowed as a credit against any tax payable on the subsequent encashment, redemption, cancellation or transfer of the relevant Shares.

Relevant year is defined as a period of 8 years beginning with the acquisition of a Share by a shareholder and each subsequent period of 8 years beginning immediately after the preceding relevant period. No Irish tax will arise on the Company in respect of chargeable events in respect of:

SPARX Funds Plc
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2023 (CONTINUED)

11. Taxation (continued)

(a) a shareholder who is neither Irish resident nor ordinarily resident in Ireland for tax purposes at the time of the chargeable event, provided appropriate valid declarations in accordance with the provisions of the Taxes Consolidation Act, 1997, as amended are held by the Company; and

(b) certain exempted Irish tax resident shareholders who have provided the Company with the necessary signed statutory declarations.

No liability in respect of Irish capital duty or stamp duty will arise in respect of the issue, reissue, transfer, repurchase or redemption of Shares in the Company. Dividends and interest on securities issued in countries other than the Republic of Ireland may be subject to taxes including withholding taxes imposed by such countries. The Company may not be able to benefit from a reduction in the rate of withholding taxes by virtue of the double taxation agreements in operation between Ireland and other countries. The Company may not therefore be able to reclaim withholding tax suffered by it in various countries. Dividends received from investment in Irish equities may be subject to Irish dividend withholding tax. The Company can however, make a declaration to the payer that it is a collective investment undertaking beneficially entitled to the dividends to avoid this withholding tax.

Capital gains which the Company receives with respect to its investments (other than securities of Irish issuers) may be subject to taxes, including withholding taxes, in the countries in which the issuers of investments are located. No Capital Gain tax provision was required in relation to IFRIC 23.

12. Soft Commissions

There were no soft commission arrangements affecting the Company during the years ended 31 October 2023 and 31 October 2022.

13. Risks Associated with Financial Instruments

The Company's risks are those set out in the Prospectus and Supplement and any consideration of risk here should be viewed in the context of the Prospectus which is the primary documentation governing the operation of the Company.

The Company's activities expose it to a variety of financial risks: market risk (including price risk, currency risk and interest rate risk), credit risk and liquidity risk. The Company's overall risk management process focuses on the unpredictability of financial markets and seeks to mitigate potential adverse effects on the Company's financial performance.

The Manager and Investment Advisor seeks to mitigate the financial risk in the Company through the Investment Advisor's daily investment process. The investment process is designed to take an adaptive and flexible approach. Market risk is the most significant risk to the Company but must be viewed in the context of the Company being structured as a UCITS.

The investment objective of the SPARX Japan Fund is to provide long-term capital growth by identifying and acquiring undervalued Japanese equities. The Sub-Fund will normally invest at least 80% of its assets in equity securities of Japanese companies and the rest of its assets in ancillary liquid assets such as money market instruments or cash deposits.

The investment objective of the SPARX Japan Sustainable Equity Fund was to achieve long term sustainable capital growth by investing in shares of Japanese equities. The Sub-Fund normally invested in at least 80% of its assets in equity securities of Japanese companies and the rest of its assets were invested in ancillary liquid assets such as money market instruments or cash deposits.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2023 (CONTINUED)**

13. Risks Associated with Financial Instruments (continued)

From year to year the Company's exposure to risk alters as market conditions change and as the components of the portfolio change and are adjusted through trading, subscriptions and redemptions. With regard to the objectives, policies and processes for managing the risk, whilst adapting to the current market conditions, the approach remains consistent from year to year.

Under the terms of the Investment Advisor Agreement the Manager is delegated with responsibility for advising the Directors on the management of the assets and investments of the Company, including risk management. The Directors exercise oversight over the Manager and Investment Advisor and at regularly held Board meetings both the Manager and Investment Advisor report to the Board on the performance of the Company strategies being utilised and the risk management process.

The sensitivity analysis in the notes below of the risk factors represent sensitivity analysis of the effect of movements in various risk variables on the Company's performance. In certain cases, a linear relationship between movements in the risk variable and the Company's performance is assumed to create the sensitivity analysis. In reality a linear relationship is unlikely.

The various analyses shown are static scenarios and represent the effect on the Company of movements in a single risk variable. In reality the Company is affected by dynamic movements in these risk variables and in a global context the risk variables have certain inter-relationships which cause dynamic movements in the variables. As a result, it should be noted that movements to the Company may be greater than that shown in the sensitivity analysis.

The analysis is that of a reasonably possible change in the relevant risk variable and not a worst case or best case analysis has been presented. IFRS 7 Financial Instruments: Disclosure does not require a sensitivity analysis of the worst case scenario, but states that analysis should be of reasonably possible changes. The analysis should not be taken to rule out a worst case scenario occurring in the future the impact of which is greater than the represented adverse movements in Fund performance.

The sensitivity analysis is carried out continuously by the Investment Advisor however, what is shown in the notes is calculated at the Statement of Financial Position date. As such it should be noted that future exposures may differ from exposures at the Statement of Financial Position date.

The Sub-Funds use various techniques and instruments for the purposes of efficient portfolio management. These are set out in the Prospectus and Supplement.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2023 (CONTINUED)**

13. Risks Associated with Financial Instruments (continued)

Market Risk

The potential for changes in the fair value or cash flows of the Sub-Fund's investment portfolio is referred to as market risk. Categories of market risk include other price risk, currency risk and interest rate risk.

The table below analyses the Sub-Fund's concentration of price risk by sector.

SPARX Japan Fund

	Financial assets at fair value through profit or loss 2023 JPY	Financial assets at fair value through profit or loss 2022 JPY
Basic Materials	9,598,203,800	5,820,960,000
Consumer Goods	14,276,690,400	27,859,290,500
Consumer Services	14,204,593,300	11,346,177,600
Financial	29,422,890,400	20,214,449,800
Healthcare	14,140,748,000	19,410,664,800
Industrials	34,147,845,950	66,943,269,000
Technology	11,433,843,100	5,822,042,800
Telecommunication	3,624,629,840	2,032,000,000
Total	130,849,444,790	159,448,854,500

SPARX Japan Sustainable Equity Fund*

	Financial assets at fair value through profit or loss 2022 JPY
Basic Materials	211,344,000
Consumer Goods	7,921,020,000
Consumer Services	5,638,777,600
Financial	2,454,607,000
Healthcare	900,956,400
Industrials	10,060,163,400
Technology	3,891,507,700
Telecommunications	1,425,768,000
Other equities	242,720,000
Total	32,746,864,100

*SPARX Japan Sustainable Equity Fund was terminated on 29 June 2023. The Sub-Fund had no financial assets as of year end.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2023 (CONTINUED)

13. Risks Associated with Financial Instruments (continued)

Market Risk (continued)

(a) Price Risk

Price risk is the risk that the value of a financial investment will fluctuate as a result of changes in market prices, whether caused by factors specific to an individual investment, its issuer or any factor affecting financial investments traded in the market. It represents the potential loss the Company might suffer through holding market positions in the face of price movements. The Investment Advisor considers the asset allocation of the portfolio in order to spread the risk associated with particular market sectors whilst continuing to follow the Company's investment objective.

As the majority of Company financial investments are carried at fair value with fair value changes recognised in the Statement of Comprehensive Income, all changes in market conditions will directly affect net assets attributable to holders of redeemable participating shares

The portfolio is managed by a team of portfolio managers and its risk is managed by a risk management team. The risk management team monitors its risk level and risk decomposition.

Management's best estimate of the effect on the net assets attributable to holders of redeemable participating shares and on the change in net assets attributable to holders of redeemable participating shares from operations due to a reasonably possible change in equity indices, with all other variables held constant is indicated in the following table. In practice, the actual trading results may differ from the sensitivity analysis below and the difference could be material. An equivalent increase in each of the indices shown below would have resulted in an equivalent, but opposite, impact.

SPARX Japan Fund

	Change in equity price %	Effect on the net assets attributable to holders of redeemable participating shares and on the change in net assets JPY
At 31 October 2023 TOPIX Index	5	4,848,424,818
At 31 October 2022 TOPIX Index	5	3,071,937,896

SPARX Japan Sustainable Equity Fund*

	Change in equity price %	Effect on the net assets attributable to holders of redeemable participating shares and on the change in net assets JPY
At 31 October 2022 TOPIX Index	5	617,937,143

The above disclosure is provided for compliance with the requirement on IFRS 7 Financial Instruments: Disclosures only. The Company does not monitor the equity price risk sensitivity with market indices actively since the equities held by the Company may not have a material direct relationship with the local market indices.

*SPARX Japan Sustainable Equity Fund was terminated on 29 June 2023. The Sub-Fund had no financial assets as of year end.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2023 (CONTINUED)

13. Risks Associated with Financial Instruments (continued)

Market Risk (continued)

(b) Currency Risk

Currency risks may result from exposures to changes in spot prices and volatilities of currency rates.

The primary purpose of the Company's foreign currency economic hedging activities is to protect against the volatility associated with investments denominated in foreign currencies and other assets and liabilities created in the normal course of business.

The Company primarily utilises forward exchange contracts with maturities of less than twelve months to hedge foreign-currency-denominated financial assets, liabilities, and firm commitments. Increases or decreases in the Company's foreign-currency-denominated financial assets and liabilities are partially offset by gains and losses on the economic hedging instruments. The Company does not use foreign currency forward exchange contracts or purchased currency options for trading purposes.

The Company may from time to time utilise techniques and instruments to seek to protect (hedge) currency exchange transactions either on a spot basis or by buying currency exchange forward contracts. The forward contracts held as at 31 October 2023 are disclosed in the Schedule of Investments.

The table below outlines the Company's foreign currency risk exposure:

SPARX Japan Fund

(Amounts are expressed in their JPY equivalents)

2023	EUR	GBP	US\$	Total
Cash and cash equivalents	2,788,257	5,000,757	7,408,608	15,197,622
Financial Assets at fair value through profit or loss				
- financial derivative instruments	17,299,018	7,943,510	11,525,004	36,767,532
Due from shareholders	1,249,697	24,727,779	-	25,977,476
Investments sold not yet settled	-	6,891,885	792,646	7,684,531
Other receivable	7,246,843	21,246	7,778,849	15,046,938
Total	28,583,815	44,585,177	27,505,107	100,674,099
Financial liabilities at fair value through profit or loss				
- financial derivative instruments	-	-	-	-
Due to shareholders	-	(20,344,687)	(49,227,571)	(69,572,258)
Investments purchased not yet	-	(11,265,469)	-	(11,265,469)
Administration fees payable	(243,585)	(382,924)	(4,464,537)	(5,091,046)
Depositary fees payable	-	-	(4,912,221)	(4,912,221)
Other payables and accrued expenses	(46,329,949)	-	(321,948)	(46,651,897)
Total	(46,573,534)	(31,993,080)	(58,926,277)	(137,492,891)
Total	(17,989,719)	12,592,097	(31,421,170)	(36,818,792)

SPARX Funds Plc
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2023 (CONTINUED)

13. Risks Associated with Financial Instruments (continued)

Market Risk (continued)

(b) Currency Risk (continued)

SPARX Japan Fund (continued)

(Amounts are expressed in their JPY equivalents)

2023 (continued)	JPY	JPY	JPY	Total
Effect on net assets on movement in EUR against JPY rate of 5%*	(899,486)	-	-	(899,486)
Effect on net assets on movement in GBP against JPY rate of 5%*	-	629,605	-	629,605
Effect on net assets on movement in US\$ against JPY rate of 5%*	-	-	(1,571,059)	(1,571,059)
Total effect on net assets	(899,486)	629,605	(1,571,059)	(1,840,940)

* The estimated movement is based on the director's determination of a reasonably possible change in foreign exchange rates. In practice, the actual results may differ from the sensitivity analysis above and the difference could be material.

2022	EUR	GBP	US\$	Total
Cash and cash equivalents	2,327,844	8,377,048	7,382,005	18,086,897
Financial Assets at fair value through profit or loss				
- financial derivative	16,318,744	149,075,534	725,901	166,120,179
Due from shareholders	-	19,138,682	2,095,577	21,234,259
Investments sold not yet settled	-	31,632,456	173,792,075	205,424,531
Other receivable	1,588,092	-	85,519	1,673,611
Total	20,234,680	208,223,720	184,081,077	412,539,477
Financial liabilities at fair value through profit or loss				
- financial derivative instruments	-	-	(11,649,232)	(11,649,232)
Due to shareholders	-	(48,252,932)	(173,792,075)	(222,045,007)
Investments purchased not yet	-	(2,411,814)	(2,095,577)	(4,507,391)
Administration fees payable	(861,212)	-	(5,057,288)	(5,918,500)
Depository fees payable	-	-	(5,043,529)	(5,043,529)
Other payables and accrued expenses	(41,745,790)	-	(315,412)	(42,061,202)
Total	(42,607,002)	(50,664,746)	(197,953,113)	(291,224,861)
Total	(22,372,322)	157,558,974	(13,872,036)	121,314,616

SPARX Funds Plc
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2023 (CONTINUED)

13. Risks Associated with Financial Instruments (continued)

Market Risk (continued)

(b) Currency Risk (continued)

SPARX Japan Fund (continued)

(Amounts are expressed in their JPY equivalents)

2022 (continued)	JPY	JPY	JPY	Total
Effect on net assets on movement in EUR against JPY rate of 5%*	(1,118,616)	-	-	(1,118,616)
Effect on net assets on movement in GBP against JPY rate of 5%*	-	7,877,949	-	7,877,949
Effect on net assets on movement in US\$ against JPY rate of 5%*	-	-	(693,602)	(693,602)
Total effect on net assets	(1,118,616)	7,877,949	(693,602)	6,065,731

* The estimated movement is based on the director's determination of a reasonably possible change in foreign exchange rates. In practice, the actual results may differ from the sensitivity analysis above and the difference could be material.

SPARX Japan Sustainable Equity Fund**

(Amounts are expressed in their JPY equivalents)

2023	EUR	GBP	US\$	Total
Cash and cash equivalents	279,418	2,270,011	234,937	2,784,366
Total	279,418	2,270,011	234,937	2,784,366

Other payables and accrued expenses	(5,507,525)	-	-	(5,507,525)
Total	(5,507,525)	-	-	(5,507,525)

Total	(5,228,107)	2,270,011	234,937	(2,723,159)
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2023	JPY	JPY	JPY	Total
Effect on net assets on movement in EUR against JPY rate of 5%*	(261,405)	-	-	(261,405)
Effect on net assets on movement in GBP against JPY rate of 5%*	-	113,501	-	113,501
Effect on net assets on movement in US\$ against JPY rate of 5%*	-	-	11,747	11,747
Total effect on net assets	(261,405)	113,501	11,747	(136,157)

* The estimated movement is based on the director's determination of a reasonably possible change in foreign exchange rates. In practice, the actual results may differ from the sensitivity analysis above and the difference could be material.

**SPARX Japan Sustainable Equity Fund was terminated on 29 June 2023.

SPARX Funds Plc
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2023 (CONTINUED)

13. Risks Associated with Financial Instruments (continued)

Market Risk (continued)

(c) Currency Risk (continued)

SPARX Japan Sustainable Equity Fund (continued)**

(Amounts are expressed in their JPY equivalents)

2022	EUR	GBP	US\$	Total
Cash	256,417	3,408,248	258,470	3,923,135
Due from shareholders	-	17,217,170	-	17,217,170
Financial derivative	-	6,488,069	-	6,488,069
Investments sold not yet settled	-	11,045,448	737,852	11,783,300
Total	256,417	38,158,935	996,322	39,411,674
Due to shareholders	-	(24,145,443)	(737,852)	(24,883,295)
Investments purchased not yet settled	-	(4,106,734)	-	(4,106,734)
Administration fees payable	(160,721)	(66,855)	(993,150)	(1,220,726)
Depository fees payable	-	-	(519,007)	(519,007)
Other payables and accrued expenses	(7,639,814)	-	(311,635)	(7,951,449)
Total	(7,800,535)	(28,319,032)	(2,561,644)	(38,681,211)
Total	(7,544,118)	9,839,903	(1,565,322)	730,463

2022	JPY	JPY	JPY	Total
Effect on net assets on movement in EUR against JPY rate of 5%*	(377,206)	-	-	(377,206)
Effect on net assets on movement in GBP against JPY rate of 5%*	-	491,995	-	491,995
Effect on net assets on movement in US\$ against JPY rate of 5%*	-	-	(78,266)	(78,266)
Total effect on net assets	(377,206)	491,995	(78,266)	36,523

* The estimated movement is based on director's determination of a reasonably possible change in foreign exchange rates. In practice, the actual results may differ from the sensitivity analysis above and the difference could be material.

**SPARX Japan Sustainable Equity Fund was terminated on 29 June 2023.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2023 (CONTINUED)

13. Risks Associated with Financial Instruments (continued)

Market Risk (continued)

(c) Interest Rate Risk

The majority of the Company's financial assets and liabilities are non-interest bearing. As a result, the Company is not subject to significant amounts of risk due to fluctuations in the prevailing levels of market interest rates. Any excess cash and cash equivalents are invested at short-term market interest rates.

Credit Risk

Counterparty credit risk is the risk that a counterparty to a financial asset will fail on a commitment that it has entered into with the Company. The Company will be subject to the possibility of insolvency, bankruptcy or default of a counterparty with which the Company trades, which could result in substantial losses to the Company.

The Investment Advisor to the Company has adopted procedures to reduce credit risk related to their dealings with counterparties. Before transacting with any counterparty, the Investment Advisor will evaluate both credit-worthiness and reputation by conducting a credit analysis of the party, their business and reputation. The reputational risk of approved counterparties is then monitored on an ongoing basis, including periodic reviews of financial statements and interim financial reports as needed. The Manager is required to file a Risk Management Process with the Board of Directors.

The Company is exposed to Credit Risk on the cash balance held with HSBC Bank plc as at 31 October 2023: JPY 2,366,093,127 (2022: JPY 5,412,432,229). The Company's listed equity securities are held with HSBC Continental Europe as Depository. These balances are held in the normal course of the Company's operations. HSBC Continental Europe was rated as A+ by Standard and Poor's as at 31 October 2023. (HSBC Holdings plc, of which the Depository was an indirect wholly-owned subsidiary as at 31 October 2023, was rated as A- by Standard and Poor's at 31 October 2023).

Liquidity Risk

The main liquidity risk of the Company is the redeemable participating shares. The Company is exposed to the liquidity risk of meeting the shareholder redemption requests at any time. The majority of the assets of the Company are held in readily realisable securities and should be convertible to cash in the short-term. The liquidity risk associated with the redeemable participating shares is mitigated by a notice to the Company of redemptions which allows for assets to be sold providing cash to finance the redemption proceeds. The Manager monitors each Sub-Fund's liquidity and implements necessary measures to prevent excessive increase of such liquidity mismatches. The Manager monitors the liquidity risk on a daily basis. When the Manager finds an excessive liquidity risk, it may recommend the Investment Advisor to increase the liquidity of the Sub-Fund.

SPARX Funds Plc

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2023 (CONTINUED)**

13. Risks Associated with Financial Instruments (continued)

Liquidity Risk (continued)

The table below outlines the Company's liquidity risk:

SPARX Japan Fund

2023	Due on demand JPY	Due within 3 months JPY	Total JPY
Financial liabilities at fair value through profit or loss			
-financial derivative instruments	-	(236,721)	(236,721)
Due to shareholders	(3,377,879,108)	-	(3,377,879,108)
Investments purchased not yet settled	(89,249,309)	-	(89,249,309)
Investment advisory fees payable	-	(367,726,317)	(367,726,317)
Management fees payable	-	(529,747)	(529,747)
Administration fees payable	-	(5,091,046)	(5,091,046)
Depositary fees payable	-	(4,912,221)	(4,912,221)
Other payables and accrued expenses	-	(251,358,014)	(251,358,014)
Redeemable Participating Shareholders	(132,603,304,173)	-	(132,603,304,173)
Total	(136,070,432,590)	(629,854,066)	(136,700,286,656)

2022	Due on demand JPY	Due within 3 months JPY	Total JPY
Financial liabilities at fair value through profit or loss			
-financial derivative instruments	-	(22,819,653)	(22,819,653)
Due to shareholders	(901,565,366)	-	(901,565,366)
Investments purchased not yet settled	(623,024,756)	-	(623,024,756)
Investment advisory fees payable	-	(421,493,505)	(421,493,505)
Management fees payable	-	(7,988,210)	(7,988,210)
Administration fees payable	-	(5,918,500)	(5,918,500)
Depositary fees payable	-	(5,043,529)	(5,043,529)
Other payables and accrued expenses	-	(238,957,210)	(238,957,210)
Redeemable Participating Shareholders	(164,829,965,815)	-	(164,829,965,815)
Total	(166,354,555,937)	(702,220,607)	(167,056,776,544)

SPARX Funds Plc

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2023 (CONTINUED)**

13. Risks Associated with Financial Instruments (continued)

Liquidity Risk (continued)

SPARX Japan Sustainable Equity Fund*

2023	Due on demand JPY	Due within 3 months JPY	Total JPY
Management fees payable	-	(2,874,135)	(2,874,135)
Other payables and accrued expenses	-	(5,507,525)	(5,507,525)
Total	-	(8,381,660)	(8,381,660)

2022	Due on demand JPY	Due within 3 months JPY	Total JPY
Financial derivative instruments liability	-	(10,201)	(10,201)
Due to shareholders	(24,883,295)	-	(24,883,295)
Investments purchased not yet settled	(147,681,978)	-	(147,681,978)
Investment advisory fees payable	-	(45,252,923)	(45,252,923)
Management fees payable	-	(2,355,193)	(2,355,193)
Administration fees payable	-	(1,220,726)	(1,220,726)
Depositary fees payable	-	(519,007)	(519,007)
Other payables and accrued expenses	-	(46,248,416)	(46,248,416)
Redeemable Participating Shareholders	(33,595,746,193)	-	(33,595,746,193)
Total	(33,768,311,466)	(95,606,466)	(33,863,917,932)

*SPARX Japan Sustainable Equity Fund was terminated on 29 June 2023.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2023 (CONTINUED)

14. Dealing NAV reconciliation

In accordance with IFRS, unamortised establishment expenses have been written off in full in the Statement of Comprehensive Income and the share dealing for 28 October 2022 has been included to arrive at net assets attributable to holders of redeemable participating shares per Financial Statements.

The following table sets out a reconciliation between the dealing net asset value and the net asset value presented in the Financial Statements at 31 October 2023;

	SPARX Japan Fund 2023
	JPY
Net assets attributable to holders of redeemable participating shares per dealing net asset value	134,746,768,907
Net investment gain	(9,458,522)
Net realised and unrealised gain	1,221,143,737
Redemption	(3,307,964,721)
Adjustment for establishment expenses	-
Net assets attributable to holders of redeemable participating shares per Financial Statements	<u>132,650,489,401</u>

*SPARX Japan Sustainable Equity Fund was terminated on 29 June 2023.No reconciliation is required for this Sub-Fund.

The following table sets out a reconciliation between the Dealing Net Asset Value and the Net Asset Value presented in the Financial Statements at 31 October 2022;

	SPARX Japan Fund 2022	SPARX Sustainable Equity Fund 2022
	JPY	JPY
Net assets attributable to holders of redeemable participating shares per Dealing Net Asset Value	161,181,340,627	33,093,364,844
Net investment gain	18,609,747	1,316,619
Net realised and unrealised gain	3,643,476,736	497,414,040
Subscriptions/(redemption)	(13,461,295)	1,816,747
Adjustment for Establishment expenses	-	1,833,943
Net assets attributable to holders of redeemable participating shares per Financial Statements	<u>164,829,965,815</u>	<u>33,595,746,193</u>

SPARX Funds Plc

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2023 (CONTINUED)**

15. Comparative Net Asset Value Table

The Net Asset Value and Net Asset Value per Share are detailed below.

Net Asset Value	2023	2022	2021
SPARX Japan Fund			
EUR Institutional Class C	€10,854,401	-	-
EUR Institutional Class E	€3,206,095	€2,622,445	€790,961
EUR Hedged Class A	€462,193	€645,916	€1,267,309
EUR Hedged Class C	€1,504,898	€1,255,878	€3,575,248
EUR Hedged Class F	€8,301,381	€7,155,125	€26,499,518
GBP Hedged Class C	£8,782,248	£8,867,104	£28,848,962
GBP Hedged Class E	£8,115,483	£49,273,720	£45,380,903
GBP Hedged Class F	£198,922	£3,290,813	£3,426,406
GBP Institutional Class C	£995,500	£30,486,843	£14,768,738
GBP Institutional Class D	£209,464	£2,791,967	£1,217,486
GBP Institutional Class E	£83,788,586	£53,658,991	£93,179,563
GBP Institutional Class F	£3,443,568	£1,415,849	£1,838,455
JPY Institutional Class A	¥2,864,530,658	¥2,944,152,261	¥3,703,581,326
JPY Institutional Class C	¥7,448,457,778	¥7,981,092,329	¥9,444,028,182
JPY Institutional Class E	¥17,118,183,242	¥47,149,113,172	¥70,595,734,871
JPY Institutional Class G	¥80,317,588,053	¥77,409,514,059	¥68,241,258,749
USD Institutional Class D	\$44,576	\$652,270	US\$329,798
USD Hedged Class A	\$4,386,070	\$3,787,846	US\$5,144,365
USD Hedged Class C	\$5,890,477	\$5,494,195	US\$10,908,208
USD Hedged Class E	-	\$2,950,354	US\$91,127,317
SPARX Japan Sustainable Equity Fund*			
EUR Hedged Class I	-	-	€3,021,266
EUR Institutional Class C	-	€8,515,972	€11,254,773
EUR Institutional Class I	-	€1,208,146	€681,089
GBP Hedged Class E	-	£111,016	£125,445
GBP Hedged Class I	-	£2,550,429	£2,364,912
GBP Institutional Class E	-	£6,044,682	£8,234,376
GBP Institutional Class F	-	£188,195	£11,638,648
GBP Institutional Class I	-	£16,327,835	£17,007,405
GBP Institutional Class J	-	£152,043,448	£181,793,980
JPY Institutional Class C	-	¥18,692,738	¥38,800
JPY Institutional Class G	-	¥812,830,179	¥357,522,191
JPY Institutional Class I	-	¥363,295,351	¥3,239,044,246
USD Institutional Class I	-	US\$3,620,558	US\$4,235,287
SPARX OneAsia Growth Equity Fund**			
USD Institutional Class C	-	-	US\$7,538,840

*SPARX Japan Sustainable Equity Fund was terminated on 29 June 2023.

**SPARX OneAsia Growth Equity Fund was terminated on 31 March 2022.

SPARX Funds Plc

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2023 (CONTINUED)**

15. Comparative Net Asset Value Table (continued)

The Net Asset Value and Net Asset Value per Share are detailed below (continued)

Net Asset Value per Share	2023	2022	2021
SPARX Japan Fund			
EUR Institutional Class C	€95	-	-
EUR Institutional Class E	€84	€76	€100
EUR Hedged Class A	€195	€160	€194
EUR Hedged Class C	€171	€137	€165
EUR Hedged Class F	€135	€111	€134
GBP Hedged Class C	£180	£145	£172
GBP Hedged Class E	£117	£94	£111
GBP Hedged Class F	£116	£94	£111
GBP Institutional Class C	£119	£106	£138
GBP Institutional Class D	£104	£94	£121
GBP Institutional Class E	£106	£95	£123
GBP Institutional Class F	£104	£94	£122
JPY Institutional Class A	¥34,612	¥29,094	¥34,670
JPY Institutional Class C	¥25,046	¥20,927	¥24,788
JPY Institutional Class E	¥14,293	¥11,925	¥14,103
JPY Institutional Class G	¥14,377	¥11,983	¥14,158
USD Institutional Class D	US\$101	US\$86	US\$133
USD Hedged Class A	US\$226	US\$182	US\$214
USD Hedged Class C	US\$198	US\$158	US\$185
USD Hedged Class E	-	US\$212	US\$250
SPARX Japan Sustainable Equity Fund*			
EUR Hedged Class I	-	-	€109
EUR Institutional Class C	-	€90	€113
EUR Institutional Class I	-	€90	€112
GBP Hedged Class E	-	£138	£156
GBP Hedged Class I	-	£146	£163
GBP Institutional Class E	-	£117	£144
GBP Institutional Class F	-	£95	£94
GBP Institutional Class I	-	£121	£148
GBP Institutional Class J	-	£106	£132
JPY Institutional Class C	-	¥13,757	¥15,501
JPY Institutional Class G	-	¥10,164	¥11,422
JPY Institutional Class I	-	¥13,046	¥14,601
USD Institutional Class I	-	US\$75	US\$109
SPARX OneAsia Growth Equity Fund**			
USD Institutional Class C	-	-	US\$151

*SPARX Japan Sustainable Equity Fund was terminated on 29 June 2023.

**SPARX OneAsia Growth Equity Fund was terminated on 31 March 2022.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2023 (CONTINUED)**

16. Exchange Rates

The following exchange rates were used to translate assets and liabilities into their reporting currency which is Japanese Yen at 31 October 2023:

Yen :	Euro	1 :	0.00622
Yen :	US Dollar	1 :	0.00664
Yen :	Sterling Pounds	1 :	0.00544

The following exchange rates were used to translate assets and liabilities into their reporting currency which is Japanese Yen at 31 October 2022:

Yen :	Euro	1 :	0.00677
Yen :	US Dollar	1 :	0.00674
Yen :	Sterling Pounds	1 :	0.00583

17. Related Parties

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions.

Bridge Fund Management Limited were paid € 380,430 (2022: €379,325) for their services during the period.

Mr. Alan Ng is a Director of SPARX Asia Investment Advisors Limited for the year ended 31 October 2023 and 2022.

Ms. Satomi Fujii is an employee of SPARX Asset Management Co., Ltd. for the year ended 31 October 2023 and 2022.

The Investment Advisor is entitled to be reimbursed its out of pocket expenses out of the assets of the Company, which should not exceed 2.0% (2022: 2.0%) per annum of the net asset value of each Sub-Fund.

18. Connected parties

The SPARX Funds plc entered into a Securities Lending Agreement with HSBC Bank plc from 8 October 2021 as detailed in pages 97-101.

19. Credit Facility

SPARX Japan Fund also has a multi currency overdraft facility with HSBC Bank plc of the lower of USD 10,000,000 (2022: USD 10,000,000) and 10% (2022: 10%) of net value of assets under custody with the Depository. Interest is charged on the loan at a rate of the bank's Base Rate plus 2.5%, calculated on a per annum basis. A fee of EUR 5,000 (2022: EUR 5,000) is payable in advance, on a per annum basis.

The facility is secured by a charge over assets in custody and security deed in relation to custody cash accounts between the Company, HSBC Bank plc and the Depository.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2023 (CONTINUED)**

20. Segregated Liability

The assets of the Sub-Funds are segregated from any claims arising from the creditors of any other Sub-Fund.

21. Significant Events during the year

Deirdre Gormley was appointed to the Board of Directors on 1 November 2022.

Paul McNaughton ceased directorship on the 6 November 2022.

Simon O'Sullivan was appointed to the Board of Directors on 20 March 2023.

SPARX Japan Sustainable Equity Fund was terminated on 29 June 2023.

The Prospectus of the SPARX Funds plc and Supplement of SPARX Japan Fund was updated on 28 July 2023.

There were no other significant events during the year which require adjustment or disclosure in the financial statements.

22. Subsequent Events

There have been no other material events subsequent to the year ended 31 October 2023 that require adjustment or disclosure in the financial statements.

23. Approval of the Financial Statements

The financial statements were approved by the Board of Directors on 14 February 2024.

SPARX Funds Plc

SPARX JAPAN FUND

SCHEDULE OF INVESTMENTS
AS AT 31 OCTOBER 2023

Quantity	Financial Assets at Fair Value through Profit or Loss	Fair Value JPY	% of Net Asset Value
	Equity Securities		
	Japan		
473,700	Asics Corporation	2,240,127,300	1.69
139,900	Daikin Industries	3,026,037,000	2.28
145,700	Fast Retailing	4,811,014,000	3.63
1,116,600	Hitachi	10,582,018,200	7.98
73,300	Hoya	1,050,755,500	0.79
510,000	Japan Exchange Group	1,511,895,000	1.14
66,400	Keyence	3,861,160,000	2.91
291,700	Misumi	659,096,150	0.50
1,323,200	Mitsubishi	9,202,856,000	6.94
6,129,500	Mitsubishi UFJ Financial Group	7,704,781,500	5.81
635,000	MS & AD Insurance Group	3,488,055,000	2.63
20,501,300	Nippon Telegraph and Telephone	3,624,629,840	2.73
485,000	Nissan Chemical Industries	2,956,075,000	2.23
2,253,300	Olympus Optical	4,504,346,700	3.40
2,790,800	Orix	7,577,022,000	5.71
1,330,700	Recruit Holdings	5,765,923,100	4.35
1,277,200	Renesas Electronics	2,497,564,600	1.88
1,586,600	Rohto Pharmaceutical	5,540,407,200	4.18
1,991,000	Santen Pharmaceutical	2,603,232,500	1.96
1,710,100	Seven and I Holdings	9,393,579,300	7.08
1,486,600	Shin-Etsu Chemical	6,642,128,800	5.01
184,200	Socionext Inc	2,656,164,000	2.00
489,100	Sompo Japan Nipponkoa Holdings	3,182,573,700	2.40
741,600	Sony	9,214,380,000	6.95
364,800	Terumo	1,492,761,600	1.13
1,782,400	Tokio Marine Holdings	5,958,563,200	4.49
317,900	Tokyo Electron	6,280,114,500	4.74
551,100	UNI CHARM	2,822,183,100	2.13
	Total equity securities	130,849,444,790	98.67

SPARX Funds Plc

SPARX JAPAN FUND

SCHEDULE OF INVESTMENTS
AS AT 31 OCTOBER 2023 (CONTINUED)

Quantity	Financial Assets at Fair Value through Profit or Loss	Fair Value JPY	% of Net Asset Value
	Forward foreign currency contracts-unrealised gains *		
	EUR 1,652,072 / JPY 261,799,264 30/11/2023	2,786,298	-
	GBP 195,226 / JPY 35,598,269 30/11/2023	91,981	-
	USD 5,781,096 / JPY 860,125,285 30/11/2023	6,605,697	0.01
	GBP 7,997,644 / JPY 1,458,324,063 30/11/2023	3,768,142	-
	USD 4,305,222 / JPY 640,541,250 30/11/2023	4,919,308	0.01
	GBP 8,619,372 / JPY 1,571,692,486 30/11/2023	4,061,073	-
	EUR 453,898 / JPY 71,927,880 30/11/2023	765,520	-
	EUR 8,151,089 / JPY 1,291,680,300 30/11/2023	13,747,200	0.01
	GBP 11,970 / JPY 2,165,986 30/11/2023	22,314	-
	Total forward foreign exchange contracts- Unrealised gains	36,767,533	0.03
	Total Financial Assets at Fair Value through Profit or Loss	130,886,212,323	98.70
	Forward foreign currency contracts-unrealised losses *		
	JPY 1,462,085 / GBP 8,018 30/11/2023	(3,778)	-
	JPY 2,927,422 / EUR 18,473 30/11/2023	(31,156)	-
	JPY 10,140,084 / EUR 64,125 30/11/2023	(129,740)	-
	JPY 4,145,636 / GBP 22,939 30/11/2023	(48,037)	-
	JPY 2,543,723 / GBP 14,046 30/11/2023	(24,010)	-
	Total forward foreign exchange contracts- Unrealised losses	(236,721)	-
	Total Financial Liabilities at Fair Value through Profit or Loss	(236,721)	-
	Other Net Assets	1,717,328,571	1.30
	Total Net Assets Attributable to Holders of Redeemable Participating Shares	132,603,304,173	100.00
	Analysis of Net Investments		% of Total Assets
	Transferable securities admitted to an official stock exchange listing or dealt on another regulated market	130,849,444,790	95.72
	Financial derivative instruments	36,767,533	0.03

*HSBC Bank Plc acts as counterparty to the forward contracts held with SPARX Japan Fund.

SPARX Funds Plc

SPARX JAPAN FUND

SCHEDULE OF INVESTMENTS
AS AT 31 OCTOBER 2022

Quantity	Financial Assets at Fair Value through Profit or Loss	Fair Value JPY	% of Net Asset Value
	Equity Securities		
	Japan		
298,800	Ariake Japan	1,538,820,000	0.93
859,800	Asics Corporation	1,963,783,200	1.19
253,800	Daikin	5,681,313,000	3.45
245,600	Dentsu	1,138,356,000	0.69
43,000	Fast Retailing	3,568,570,000	2.16
320,900	FUJIFILM Holdings Corporation	2,188,217,100	1.33
2,090,400	Hitachi	14,131,104,000	8.57
159,000	Hoya	2,206,125,000	1.34
704,600	Kao	3,938,714,000	2.39
168,900	Keyence	9,512,448,000	5.77
1,376,000	Kubota	2,857,264,000	1.73
696,900	Mercari	1,724,827,500	1.05
1,667,000	Misumi	5,301,060,000	3.22
3,174,800	Mitsubishi Corporation	12,797,618,800	7.76
789,400	MS & AD Insurance Group	3,111,025,400	1.89
403,300	Murata Manufacturing	2,944,090,000	1.79
440,900	Nidec	3,632,134,200	2.20
868,800	Nissan Chemical Industries	5,820,960,000	3.53
496,800	Olympus Optical	1,559,952,000	0.95
2,278,500	Orix	4,978,522,500	3.02
682,700	Pigeon Corporation	1,329,899,600	0.81
1,716,800	Recruit Holdings	7,880,112,000	4.78
1,618,800	Rohto Pharmaceutical	7,486,950,000	4.54
3,871,800	Santen Pharmaceutical	3,941,492,400	2.39
1,195,400	Seven and I Holdings	6,639,251,600	4.03
153,900	Shimano	3,551,242,500	2.15
317,500	Softbank	2,032,000,000	1.23
577,100	Sompo Japan Nipponkoa Holdings	3,573,980,300	2.17
1,125,400	Sony	11,240,495,200	6.82
1,419,600	Terumo	6,422,270,400	3.90
3,177,600	Tokio Marine Holdings	8,550,921,600	5.19
28,600	Tokyo Electron	1,129,414,000	0.68
948,000	UNI CHARM	4,296,336,000	2.61
2,027,000	Z Holdings	779,584,200	0.47
	Total equity securities	159,448,854,500	96.73

SPARX Funds Plc

SPARX JAPAN FUND

SCHEDULE OF INVESTMENTS
AS AT 31 OCTOBER 2022 (CONTINUED)

Quantity	Financial Assets at Fair Value through Profit or Loss	Fair Value JPY	% of Net Asset Value
	Forward foreign currency contracts-unrealised gains *		
	EUR 1,211,371 / JPY 177,649,655 30/11/2022	992,324	-
	EUR 18,071,176 / JPY 2,650,168,696 30/11/2022	14,803,447	0.01
	GBP 47,348,804 / JPY 7,989,443,015 30/11/2022	116,840,798	0.07
	GBP 1,450 / JPY 244,667 30/11/2022	3,578	-
	EUR 623,112 / JPY 91,380,368 30/11/2022	510,437	-
	GBP 8,546,323 / JPY 1,442,071,436 30/11/2022	21,089,427	0.01
	GBP 3,172,177 / JPY 535,260,139 30/11/2022	7,827,858	0.01
	GBP 208,323 / JPY 34,992,053 30/11/2022	673,626	-
	GBP 13,874 / JPY 2,359,750 30/11/2022	15,485	-
	USD 184,265 / JPY 26,896,774 30/11/2022	361,361	-
	EUR 33,494 / JPY 4,937,686 30/11/2022	1,751	-
	EUR 189,134 / JPY 27,881,828 30/11/2022	9,887	-
	GBP 1,317,776 / JPY 223,503,112 30/11/2022	2,104,832	-
	USD 104,318 / JPY 15,227,088 30/11/2022	204,578	-
	USD 81,568 / JPY 11,906,299 30/11/2022	159,963	-
	GBP 237,369 / JPY 40,259,249 30/11/2022	379,140	-
	EUR 17,176 / JPY 2,532,084 30/11/2022	898	-
	GBP 88,145 / JPY 14,949,864 30/11/2022	140,790	-
	JPY 29 / GBP 00 30/11/2022	-	-
	Total forward foreign exchange contracts- Unrealised gains	166,120,180	0.10
	Total Financial Assets at Fair Value through Profit or Loss	159,614,974,680	96.83

*HSBC Bank Plc acts as counterparty to the forward contracts held with SPARX Japan Fund.

SPARX Funds Plc

SPARX JAPAN FUND

SCHEDULE OF INVESTMENTS
AS AT 31 OCTOBER 2022 (CONTINUED)

Quantity	Financial Assets at Fair Value through Profit or Loss	Fair Value JPY	% of Net Asset Value
	Forward foreign currency contracts-unrealised losses *		
	USD 2,840,953 / JPY 422,821,070 30/11/2022	(2,561,705)	-
	USD 6,429,980 / JPY 956,978,485 30/11/2022	(5,797,951)	-
	JPY 1,637,656,484 / EUR 11,166,979 30/11/2022	(9,147,704)	(0.01)
	USD 3,648,170 / JPY 542,959,684 30/11/2022	(3,289,576)	-
	JPY 169,656,361 / USD 1,159,716 30/11/2022	(1,899,260)	-
	JPY 12,011,534 / GBP 70,880 30/11/2022	(123,457)	-
	Total forward foreign exchange contracts- Unrealised losses	(22,819,653)	(0.01)
	Total Financial Liabilities at Fair Value through Profit or Loss	(22,819,653)	(0.01)
	Other Net Assets	5,237,810,788	3.18
	Total Net Assets Attributable to Holders of Redeemable Participating Shares	164,829,965,815	100.00
	Analysis of Net Investments		% of Total Assets
	Transferable securities admitted to an official stock exchange listing or dealt on another regulated market	159,448,854,500	95.45
	Financial derivative instruments	166,120,180	0.10

*HSBC Bank Plc acts as counterparty to the forward contracts held with SPARX Japan Fund.

SPARX Funds Plc

SPARX JAPAN SUSTAINABLE EQUITY FUND

SCHEDULE OF INVESTMENTS
AS AT 31 OCTOBER 2022

Quantity	Financial Assets at Fair Value through Profit or Loss	Fair Value JPY	% of Net Asset Value
Equity Securities			
Japan			
112,300	Aucnet	251,664,300	0.75
75,900	Bengo4	241,362,000	0.72
269,400	Bridgeston	1,444,522,800	4.30
49,800	Daikin	1,114,773,000	3.32
168,900	Daiwa House	508,726,800	1.51
179,700	Dentsu	832,909,500	2.48
4,100	Disco Corporation	146,370,000	0.44
8,200	Fast Retailing	680,518,000	2.03
169,000	Fuji Electric	973,440,000	2.90
64,900	Fujitsu	1,111,412,500	3.31
166,200	Hitachi	1,123,512,000	3.34
414,300	Hitachi Zosen	355,883,700	1.06
78,500	Horiba	480,420,000	1.43
39,800	Hoya	552,225,000	1.64
201,700	IBJ	192,421,800	0.57
55,800	Insource	168,237,000	0.50
245,000	Itochu	943,005,000	2.81
66,400	JINS Holdings	297,472,000	0.89
253,500	Kanematsu Corporation	372,898,500	1.11
130,100	Katitas	433,883,500	1.29
123,200	KDDI	541,464,000	1.61
8,200	Keyence	461,824,000	1.37
106,600	Kokuyo	196,783,600	0.59
134,300	Kurita Water Industries	733,278,000	2.18
468,300	Marui	1,149,208,200	3.42
65,600	Midac	242,720,000	0.72
29,500	Misumi	93,810,000	0.28
12,300	Nidec	101,327,400	0.30
205,700	Nintendo	1,248,599,000	3.72
600,600	Nippon Parking development	154,954,800	0.46
216,000	Nippon Telgraph and Telephone	884,304,000	2.63
39,800	Nissin Food Products	383,274,000	1.14
177,200	Otsuka	831,954,000	2.48
256,400	Pan Pacific International Holdings	625,872,400	1.86
162,300	Persol Holdings	484,627,800	1.44
95,200	QB Net Holdings	125,283,200	0.37
81,500	Recruit Holdings	374,085,000	1.11
37,800	Rohm	395,766,000	1.18
454,700	S Pool	433,329,100	1.29
251,900	SBI Holdings	677,107,200	2.02
226,300	SG Holdings	446,263,600	1.33

SPARX Funds Plc

SPARX JAPAN SUSTAINABLE EQUITY FUND

SCHEDULE OF INVESTMENTS
AS AT 31 OCTOBER 2022 (CONTINUED)

Quantity	Financial Assets at Fair Value through Profit or Loss	Fair Value JPY	% of Net Asset Value
Equity Securities (continued)			
Japan (continued)			
13,600	Shin-Etsu Chemical	211,344,000	0.63
126,400	So-Net	561,974,400	1.67
115,700	Sony	1,155,611,600	3.44
291,400	SWCC Showa Holdings	521,314,600	1.55
53,000	Systemex Corporation	425,484,000	1.27
100,600	Taiyo Yuden	407,933,000	1.21
105,100	Terumo	475,472,400	1.42
62,300	Toho	330,190,000	0.98
499,300	Tokio Marine Holdings	1,343,616,300	4.00
16,100	Tokyo Electron	635,789,000	1.89
47,400	Toyota Industries	363,084,000	1.08
341,600	Toyota Motor	703,525,200	2.09
28,600	Trancom	218,218,000	0.65
1,027,700	Wacom	664,921,900	1.98
169,400	West Holdings	754,677,000	2.25
206,800	Yamaha	1,162,216,000	3.46
	Total equity securities	32,746,864,100	97.47
Forward foreign currency contracts - unrealised gain *			
	GBP 2,489,075 / JPY 419,996,351 30/11/2022	6,215,163	0.02
	GBP 883 / JPY 148,933 30/11/2022	2,204	-
	GBP 108,034 / JPY 18,229,255 30/11/2022	269,759	-
	GBP 289 / JPY 48,547 30/11/2022	943	-
	Total forward foreign exchange contracts - Unrealised gains	6,488,069	0.02
	Total Financial Assets at Fair Value through Profit or Loss	32,753,352,169	97.49

SPARX Funds Plc

SPARX JAPAN SUSTAINABLE EQUITY FUND

SCHEDULE OF INVESTMENTS
AS AT 31 OCTOBER 2022 (CONTINUED)

Quantity	Financial Liabilities at Fair Value through Profit or Loss	Fair Value JPY	% of Net Asset Value
	Forward foreign currency contracts - unrealised losses *		
	JPY 1,514,650 / GBP 8,905 30/11/2022	(10,201)	-
	Total forward foreign exchange contracts -Unrealised losses	(10,201)	-
	Total Financial Liabilities at Fair Value through Profit or Loss	(10,201)	-
	Other Net Assets	842,404,225	2.51
	Total Net Assets Attributable to Holders of Redeemable Participating Shares	33,595,746,193	100.00
	Analysis of Net Investments		% of Total Assets
	Transferable securities admitted to an official stock exchange listing or dealt on another regulated market	32,746,864,100	96.70
	Financial derivative instruments	6,488,069	0.02

*HSBC Bank Plc acts as counterparty to the forwards contracts held with SPARX Japan Sustainable Equity Fund.

SPARX Funds Plc

SPARX JAPAN FUND

**UNAUDITED CHANGES IN COMPOSITION OF PORTFOLIO
FOR THE YEAR ENDED 31 OCTOBER 2023**

	Number of shares	Cost/Proceeds JPY
All Purchases		
Mitsubishi UFJ Financial Group	7,814,200	7,451,138,482
Shin-Etsu Chemical	1,666,900	7,331,238,394
Seven and I Holdings	959,000	5,667,707,693
Olympus Optical	2,292,300	5,421,817,269
Tokyo Electron	341,500	4,986,984,362
Nippon Telegraph & Telephone	24,634,000	4,269,261,818
Socionext Inc	208,100	3,276,695,407
Renesas Electronics	1,371,200	3,074,569,836
Fast Retailing	155,100	2,960,341,728
Orix	1,210,900	2,922,192,203
Recruit Holdings	515,500	2,181,671,002
Rohm	352,200	1,880,300,142
Japan Exchange Group	840,200	1,698,580,307
MS & AD Insurance Group	315,600	1,370,881,594
Sompo Japan Nipponkoa Holdings	171,000	1,010,506,799
Terumo	222,200	815,759,825
Mizuho Financial Group	381,600	716,809,376
Hoya	44,200	628,549,898
UNI CHARM	126,000	603,363,506
Keyence	8,400	479,621,351

SPARX Funds Plc

SPARX JAPAN FUND

**UNAUDITED CHANGES IN COMPOSITION OF PORTFOLIO
FOR THE YEAR ENDED 31 OCTOBER 2023 (CONTINUED)**

	Number of shares	Cost/Proceeds JPY
Major Sales		
Mitsubishi Corporation	1,851,600	(10,639,561,748)
Hitachi	973,800	(7,541,639,801)
Keyence	110,900	(6,361,639,566)
Terumo	1,277,000	(5,001,963,733)
Rohto Pharmaceutical	1,554,600	(4,906,699,522)
Sony	394,700	(4,537,137,038)
Tokio Marine Holdings	1,408,900	(4,058,060,698)
Misumi	1,375,300	(4,058,051,853)
Kao	709,400	(3,656,322,873)
Recruit Holdings	901,600	(3,459,796,674)
Shimano	153,900	(3,419,983,334)
Nidec	440,900	(3,375,424,978)
Murata Manufacturing	403,300	(2,965,042,837)
UNI CHARM	522,900	(2,698,517,207)
Daikin	118,900	(2,691,888,126)
Kubota	1,376,000	(2,636,922,252)
Seven and I Holdings	444,300	(2,573,449,865)
Fast Retailing	52,400	(2,436,652,887)
Nissan Chemical Industries	383,800	(2,337,661,239)
FUJIFILM Holdings Corporation	320,900	(2,188,496,386)
MS & AD Insurance Group	470,000	(2,099,680,563)
Santen Pharmaceutical	1,880,800	(2,033,594,907)
Hoya	129,900	(1,958,211,191)
Softbank	317,500	(1,897,779,826)
Rohm	352,200	(1,869,261,912)
Mercari	696,900	(1,854,499,014)
Mitsubishi UFJ Financial Group	1,684,700	(1,638,685,219)
Orix	698,600	(1,621,604,641)
Sompo Japan Nipponkoa Holdings	259,000	(1,539,112,435)
Ariake Japan	298,800	(1,500,442,000)
Asics Corporation	386,100	(1,456,515,637)
Pigeon	682,700	(1,421,478,386)
Shin-Etsu Chemical	180,300	(1,360,713,052)
Tokyo Electron	52,200	(1,346,820,175)
Dentsu	308,000	(1,297,089,819)
Olympus Optical	535,800	(1,164,390,202)

The Unaudited Changes in Composition of Portfolio reflect the aggregate purchases of a security exceeding one percent of the total value of purchases and aggregate disposals of a security greater than one percent of the total sales for the year. At a minimum the largest 20 purchases and largest 20 sales must be given.

SPARX Funds Plc

SPARX JAPAN SUSTAINABLE EQUITY FUND

UNAUDITED CHANGES IN COMPOSITION OF PORTFOLIO
FOR THE YEAR ENDED 31 OCTOBER 2023

	Number of shares	Cost/Proceeds JPY
Major Purchases		
Sekisui House	462,100	1,178,946,888
Mitsubishi	656,500	1,067,252,277
Mizuho Financial Group	428,700	829,320,025
Fast Retailing	39,400	744,663,207
Nippon Telegraph & Telephone	176,900	697,295,733
Pan Pacific International Holdings	248,300	625,462,112
Nexon	202,200	608,419,246
Mitsubishi UFJ Financial Group	599,700	549,970,832
Japan Exchange Group	207,600	442,565,105
Kokuyo	230,400	431,572,764
Sony	35,900	419,171,185
Tokio Marine Holdings	154,700	394,729,867
Hitachi	51,400	372,560,798
Bridgestone	68,300	365,955,817
Fujitsu	18,900	333,856,624
Nintendo	63,400	324,478,116
Yamaha	63,700	321,282,758
Daikin	13,600	317,178,246
Seiko	105,600	314,252,150
Marui	144,500	291,094,035
Dentsu	55,400	251,111,253
Kurita Water Industries	41,400	248,493,927
SBI Holdings	93,600	245,171,853
Tokyo Electron	36,300	199,208,667
HORIBA	24,100	186,942,695
Hioki	21,200	183,427,853
Hoya	12,100	170,708,150
West Holdings	52,100	170,375,182
Wacom	245,700	168,753,293
SWCC Showa Holdings	89,900	167,110,368
Rohm	15,200	162,878,649
Fuji Electric	31,100	161,963,194
Daiwa House	52,100	160,661,974
KDDI	37,900	154,737,354

SPARX Funds Plc

SPARX JAPAN SUSTAINABLE EQUITY FUND

UNAUDITED CHANGES IN COMPOSITION OF PORTFOLIO
FOR THE YEAR ENDED 31 OCTOBER 2023 (CONTINUED)

	Number of shares	Cost/Proceeds JPY
Major Sales		
Tokio Marine Holdings	654,000	(2,052,120,463)
Sony	151,600	(1,954,555,009)
Bridgestone	337,700	(1,881,872,665)
Hitachi	217,600	(1,810,448,602)
Fast Retailing	47,600	(1,759,006,009)
Daikin	63,400	(1,700,077,608)
Nippon Telegraph & Telephone	392,900	(1,607,179,884)
Nintendo	269,100	(1,602,414,422)
Fujitsu	83,800	(1,541,966,710)
Yamaha	270,500	(1,479,688,567)
Marui	612,800	(1,440,059,511)
Sekisui House	462,100	(1,282,206,947)
Pan Pacific International Holdings	504,700	(1,256,847,582)
Mitsubishi	656,500	(1,121,500,042)
Tokyo Electron	52,400	(1,097,741,480)
Dentsu	235,100	(1,094,058,142)
Fuji Electric	200,100	(1,044,098,681)
Itochu	248,800	(1,029,667,588)
Otsuka	207,000	(1,012,937,343)
Kurita Water Industries	175,700	(997,230,370)
SBI Holdings	345,500	(932,313,082)
Mizuho Financial Group	428,700	(901,717,805)
Wacom	1,273,400	(849,759,244)
Hoya	51,900	(836,413,547)
Daiwa House	221,000	(798,041,567)
HORIBA	102,600	(779,259,237)
SWCC Showa Holdings	381,300	(707,027,393)
KDDI	161,100	(701,548,924)
Keyence	10,200	(664,437,554)
Toyota Motor	341,600	(653,694,750)
Rohm	53,000	(651,325,547)
West Holdings	221,500	(644,964,221)
Kokuyo	337,000	(636,135,525)
Nissin Food Products	51,900	(625,668,675)
Sysmex Corporation	66,200	(607,948,432)
SG Holdings	296,000	(604,781,749)
Terumo	137,400	(598,657,124)

SPARX Funds Plc

SPARX JAPAN SUSTAINABLE EQUITY FUND

UNAUDITED CHANGES IN COMPOSITION OF PORTFOLIO
FOR THE YEAR ENDED 31 OCTOBER 2023 (CONTINUED)

	Number of shares	Cost/Proceeds JPY
Major Sales		
Mitsubishi UFJ Financial Group	599,700	(585,660,231)
Nexon	202,200	(584,768,704)
Persol Holdings	212,400	(570,381,827)
Japan Exchange Group	207,600	(513,813,999)
So-Net	147,300	(509,076,670)

The Unaudited Changes in Composition of Portfolio reflect the aggregate purchases of a security exceeding one percent of the total value of purchases and aggregate disposals of a security greater than one percent of the total sales for the year. At a minimum the largest 20 purchases and largest 20 sales must be given.

SPARX Funds Plc

SPARX JAPAN FUND

UNAUDITED CHANGES IN COMPOSITION OF PORTFOLIO
FOR THE YEAR ENDED 31 OCTOBER 2022

	Number of shares	Cost/Proceeds JPY
All Purchases		
Tokio Marine Holdings	1,119,500	7,937,013,319
Seven and I Holdings	1,214,500	6,727,088,301
Orix	2,392,300	5,479,531,624
Hitachi	844,600	5,392,374,372
Sompo Japan Nipponkoa Holdings	610,000	3,474,938,646
MS & AD Insurance Group	830,000	3,334,460,226
Mitsubishi Corporation	830,600	3,148,467,050
FUJIFILM Holdings Corporation	360,000	2,661,457,628
Softbank	447,600	2,450,333,798
Hoya	160,800	2,354,266,586
UNI CHARM	360,800	1,701,314,802
Olympus Optical	506,500	1,523,853,931
Mercari	371,800	1,431,442,076
Tokyo Electron	29,300	1,263,529,572
Dentsu	275,300	1,255,006,956
Recruit Holdings	231,900	1,096,758,650
Sony	80,200	957,908,836
Nidec	91,900	908,078,843
Kao	122,300	699,175,631
Fast Retailing	3,500	297,300,186

SPARX Funds Plc

SPARX JAPAN FUND

**UNAUDITED CHANGES IN COMPOSITION OF PORTFOLIO
FOR THE YEAR ENDED 31 OCTOBER 2022 (CONTINUED)**

	Number of shares	Cost/Proceeds JPY
Major Sales		
Softbank	1,521,900	(7,729,585,759)
Olympus Optical	1,512,600	(4,019,016,194)
Nidec	426,700	(3,837,560,024)
Shimano	128,300	(2,979,450,149)
UNI CHARM	679,500	(2,956,534,106)
Murata Manufacturing	372,600	(2,783,796,210)
Mercari	1,154,300	(2,513,274,317)
Fast Retailing	39,600	(2,442,885,457)
Nissan Chemical Industries	308,800	(2,222,296,361)
Kubota	1,054,000	(2,220,721,750)
Misumi	572,800	(1,997,744,494)
Asahi Intecc	769,100	(1,980,373,726)
Terumo	435,000	(1,716,513,602)
Hitachi	233,000	(1,526,580,691)
Daikin	71,200	(1,443,726,832)
Recruit Holdings	301,100	(1,254,703,935)
Kao	185,800	(1,104,220,852)
Keyence	19,400	(1,022,001,420)
Rohto Pharmaceutical	269,400	(1,019,373,995)
Asics Corporation	307,600	(864,505,180)
Mitsubishi Corporation	181,200	(775,915,662)
Z Holdings Corporation	1,850,500	(764,763,284)
Suntory Beverage And Food	163,700	(712,122,883)
Santen Pharmaceutical	514,400	(550,258,991)

The Unaudited Changes in Composition of Portfolio reflect the aggregate purchases of a security exceeding one percent of the total value of purchases and aggregate disposals of a security greater than one percent of the total sales for the year. At a minimum the largest 20 purchases and largest 20 sales must be given.

SPARX Funds Plc

SPARX JAPAN SUSTAINABLE EQUITY FUND

UNAUDITED CHANGES IN COMPOSITION OF PORTFOLIO
FOR THE YEAR ENDED 31 OCTOBER 2022

	Number of shares	Cost/Proceeds JPY
Major Purchases		
Toyota Motor	398,800	859,095,693
Nippon Telegraph & Telephone	217,300	858,116,431
Dentsu	181,100	795,418,967
Nintendo	11,300	592,609,650
HORIBA	81,700	530,952,249
So-Net	119,800	527,877,110
S Pool	459,000	494,909,455
Rohm	43,200	440,500,625
Wacom	392,600	364,393,088
SWCC Showa Holdings	162,500	304,470,837
Marui	132,600	302,653,097
Fast Retailing	4,600	302,145,802
Bengo4	70,900	292,191,359
Hitachi	40,600	252,495,626
Trancom	28,700	233,842,560
Kanematsu Corporation	168,400	227,727,877
Terumo	49,000	215,723,085
Fujitsu	11,100	211,302,808
Yamaha	36,900	207,268,765
Sony	15,400	205,839,694
IBJ	201,700	200,914,336
Daikin	8,000	198,706,683
Bridgestone	37,300	186,445,402
Tokyo Electron	3,000	181,086,579
Otsuka	35,000	175,472,611
Itochu	46,900	166,252,900
Insource Co	56,900	163,905,386
Tokio Marine Holdings	23,300	153,378,521
Fuji Electric	24,700	144,395,234
Nippon Parking Development	600,600	141,790,460
Taiyo Yuden	22,200	134,427,042

SPARX Funds Plc

SPARX JAPAN SUSTAINABLE EQUITY FUND

**UNAUDITED CHANGES IN COMPOSITION OF PORTFOLIO
FOR THE YEAR ENDED 31 OCTOBER 2022 (CONTINUED)**

	Number of shares	Cost/Proceeds JPY
Major Sales		
Itochu	185,200	(718,812,354)
Fancl	243,600	(647,135,505)
KDDI	162,300	(637,642,620)
Otsuka	134,600	(604,560,710)
Sushiro Motor	183,400	(579,580,099)
Fujitsu	30,300	(515,147,579)
Taiyo Yuden	106,100	(502,742,542)
Sawai Group Holdings	114,000	(497,457,793)
Nidec	56,800	(476,788,965)
Daikin	19,400	(421,839,521)
Tokyo Electron	8,900	(413,826,754)
Sony	28,800	(340,902,663)
So-Net	79,200	(338,060,987)
Pan Pacific International Holdings	171,300	(335,476,568)
Bridgestone	65,800	(308,488,112)
Shin-Etsu Chemical	16,400	(277,334,722)
Nintendo	12,100	(272,721,802)
Yamaha	50,300	(271,058,435)
Tokio Marine Holdings	51,200	(265,951,566)
Hoya	17,800	(262,365,177)
Kanematsu Electronics	58,100	(238,082,828)
Oisix Daichi	104,000	(237,934,183)
Suzuki Motor	50,100	(233,794,132)
Hitachi	38,600	(229,988,386)
Fuji Electric	39,700	(225,895,899)
Systemex Corporation	25,200	(217,347,488)
Marui	95,400	(217,096,729)
Nissin Food Products	23,100	(213,046,898)
West Holdings	41,400	(201,332,019)
SBI Holdings	62,400	(178,916,434)
Disco Corporation	5,500	(177,538,018)
Midac	40,900	(174,889,394)
E-Guardian	55,100	(173,836,808)
Wacom	205,600	(169,199,407)
Seria	51,300	(151,058,552)
Kurita Water Industries	30,000	(143,401,335)

The Unaudited Changes in Composition of Portfolio reflect the aggregate purchases of a security exceeding one percent of the total value of purchases and aggregate disposals of a security greater than one percent of the total sales for the year. At a minimum the largest 20 purchases and largest 20 sales must be given.

SPARX Funds Plc

SPARX ONEASIA GROWTH EQUITY FUND

**UNAUDITED CHANGES IN COMPOSITION OF PORTFOLIO
FOR THE YEAR ENDED 31 OCTOBER 2022**

	Number of shares	Cost/Proceeds USD
Major Purchases		
Nongfu Spring	20,800	108,267
SBI Cards and Payment Services	4,036	58,109
Muthoot Finance	2,888	57,743
Bank Central Asia	111,400	57,494
Realtek Semiconductor	3,000	53,466
Major Sales		
Shenzhen Mindray Bio Medical Electronics	6,811	(393,219)
Realtek Semiconductor	18,000	(368,144)
AirTAC International Group	10,464	(362,414)
Sea	1,500	(331,128)
Bajaj Finserv	1,350	(287,047)
Wuxi Biologics Cayman Incorporation	25,000	(282,391)
Shandong Weigao	204,000	(244,761)
Bank Central Asia	467,900	(238,195)
Xiaomi	98,200	(234,175)
FILA Korea	7,912	(230,177)
ICICI Lombard General Insurance	11,534	(205,646)
JD.com	2,900	(197,664)
SBI Cards and Payment Services	15,936	(189,399)
Yageo Corporation	10,000	(169,412)
Sany Heavy Industry	45,400	(164,450)
Elite Material	16,000	(160,348)
Wilmar International	52,900	(156,126)
HDFC Life	18,216	(153,941)
Muthoot Finance	7,635	(149,656)
Shenzhen Inovance Technology	13,700	(148,287)
Joint Stock Commercial Bank for Foreign Trade	34,312	(147,458)
Nongfu Spring	20,800	(131,836)
Nien Made Enterprise	8,000	(116,851)
IndiaMart	1,308	(114,108)
Vincom Retail	82,740	(112,739)
Asian Paints	2,600	(111,823)
Piramal Healthcare	3,272	(111,818)
Huntsun Technologies	10,934	(105,696)
JD.com	3,150	(103,879)
Xiabuxiabu Catering Management	130,000	(99,884)
Indorama Ventures	76,600	(97,320)
Chroma Ate	13,000	(94,593)
Ayala Land	137,500	(94,359)

SPARX Funds Plc

SPARX ONEASIA GROWTH EQUITY FUND

UNAUDITED CHANGES IN COMPOSITION OF PORTFOLIO
FOR THE YEAR ENDED 31 OCTOBER 2022 (CONTINUED)

	Number of shares	Cost/Proceeds USD
Major Sales		
Osstem Implant	813	(93,310)
Kangji Medical	96,500	(91,301)
NetDragon Websoft	39,000	(84,443)
Douzone Bizon	1,339	(84,134)
Nio	2,600	(77,847)

The Unaudited Changes in Composition of Portfolio reflect the aggregate purchases of a security exceeding one percent of the total value of purchases and aggregate disposals of a security greater than one percent of the total sales for the year. At a minimum the largest 20 purchases and largest 20 sales must be given.

SPARX Funds Plc

**SECURITY FINANCING TRANSACTION REGULATION (UNAUDITED)
FOR THE YEAR ENDED 31 OCTOBER 2023**

A Securities Financing Transaction is defined as per Article 3(11) of the SFTR as:

- a repurchase transaction;
- securities or commodities lending and securities or commodities borrowing;
- a buy-sell back transaction or sell-buy back transaction; or
- a margin lending transaction.

The securities lending programme for the Company commenced on 8 October 2021.

Securities lending is used by the Sub-Funds to generate additional income from the securities held by the Sub-Funds.

Securities lent by a Sub-Fund are not derecognised from the Sub-Fund's Statement of Financial Position. During the year, the Sub-Funds listed below engaged in securities lending (31 October 2022: N/A).

There is no Cash Collateral on 31 October 2023 in any of the Sub-Funds and hence there is no reuse of cash collateral.

All of the collateral received in respect of the securities lending transactions for the Sub-Funds is entrusted to the Depository for safekeeping. The proportion of collateral held in the Sub-Funds is segregated in full and never pooled.

The securities lending commission is allocated to the following parties:

- 70% of the gross revenue on securities lending is allocated to the relevant Sub-Fund.
- 30% of the gross revenue on securities lending is allocated to the Securities Lending Agent, HSBC Bank plc.

Direct costs from securities lending include 30% of the gross revenue due to the agent lender which is JPY 7,581,569 as shown in the table below.

Securities Lending Income 31 October 2023 Sub-Funds	70% to the Fund JPY	30% to Lending Agent JPY	Gross Revenue (100%) JPY
SPARX Japan Fund	16,363,219	7,012,808	23,376,027
SPARX Japan Sustainable Equity Fund	1,327,109	568,761	1,895,870
Total	17,690,328	7,581,569	25,271,897

The direct costs from securities lending for the year ended 31 October 2022 were 8,049,218.

The aggregate value of securities on loan as at 31 October 2023 and the value held by each Sub-Fund are detailed below:

Sub-Funds	Functional Currency	Type of Securities on Loan held	Aggregate value of Securities on loan
SPARX Japan Fund	JPY	Equity	15,066,048,950

The aggregate value of securities on loan as at 31 October 2022 and the value held by each Sub-Fund are detailed below:

Sub-Funds	Functional Currency	Type of Securities on Loan held	Aggregate value of Securities on loan
SPARX Japan Fund	JPY	Equity	33,800,000
SPARX Japan Sustainable Equity Fund	JPY	Equity	186,312,350

SPARX Funds Plc

**SECURITY FINANCING TRANSACTION REGULATION (UNAUDITED)
FOR THE YEAR ENDED 31 OCTOBER 2023 (CONTINUED)**

As at 31 October 2023, only Government Bond and Main Index Equities were held as collateral.

Sub-Funds	Currency	Value of Collateral held JPY
SPARX Japan Fund	JPY	1,583,298,222
	USD	14,359,892,071
Total		<u>15,943,190,293</u>

As at 31 October 2022, only Government Bond and Main Index Equities were held as collateral.

Sub-Funds	Currency	Value of Collateral held JPY
SPARX Japan Fund	AUD	4,046,379
	GBP	29,900,021
	NOK	1,810,598
Total		<u>35,756,998</u>
SPARX Japan Sustainable Equity Fund	EUR	39,306,697
	GBP	18,452
	USD	157,212,080
Total		<u>196,537,229</u>

As at 31 October 2023, the amount of securities on loan as a proportion of total lendable assets were as follows:

Sub-Funds	Functional Currency	Securities issued on loan	Total assets	Securities on loan as a percentage of total lendable assets
SPARX Japan Fund	JPY	15,066,048,950	136,700,286,656	11.02%

As at 31 October 2022, the amount of securities on loan as a proportion of total lendable assets were as follows:

Sub-Funds	Functional Currency	Securities issued on loan	Total assets	Securities on loan as a percentage of total lendable assets
SPARX Japan Fund	JPY	33,800,000	167,056,776,544	0.02%
SPARX Sustainable Equity Fund	JPY	186,312,350	33,863,917,932	0.55%

SPARX Funds Plc

SECURITY FINANCING TRANSACTION REGULATION (UNAUDITED)
FOR THE YEAR ENDED 31 OCTOBER 2023 (CONTINUED)

As at 31 October 2023, the amount of securities on loan as a proportion of total investments were as follows:

Sub-Funds	Functional Currency	Securities issued on loan	Total investments	Securities on loan as a percentage of total investments
SPARX Japan Fund	JPY	15,066,048,950	130,849,444,790	11.51%

As at 31 October 2022, the amount of securities on loan as a proportion of total investments were as follows:

Sub-Funds	Functional Currency	Securities issued on loan	Total investments	Securities on loan as a percentage of total investments
SPARX Japan Fund	JPY	33,800,000	159,448,854,500	0.02%
SPARX Sustainable Equity Fund	JPY	186,312,350	32,746,864,100	0.57%

As at 31 October 2023, Collateral by maturity is shown in the following table.

Collateral type and quality	1-90 days	91- 365 days	More than 365 days	Open transactions	Total
SPARX Japan Fund (JPY)					
Collateral received – securities lending					
Fixed Income – Investment grade	-	-	15,909,073,593	-	15,909,073,593
Equities – Recognised equity index	-	-	-	34,116,700	34,116,700
Total	-	-	15,909,073,593	34,116,700	15,943,190,293

As at 31 October 2022, Collateral by maturity is shown in the following table.

Collateral type and quality	1-90 days	91-365 days	More than 365 days	Open transactions	Total
SPARX Japan Fund (JPY)					
Collateral received – securities lending					
Fixed Income – Investment grade	-	-	29,843,243	-	29,843,243
Equities – Recognised equity index	-	-	-	5,913,755	5,913,755
Total	-	-	29,843,243	5,913,755	35,756,998
SPARX Sustainable Equity Fund (JPY)					
Collateral received – securities lending					
Fixed Income – Investment grade	-	-	196,518,777	-	196,518,777
Equities – Recognised equity index	-	-	-	18,452	18,452
Total	-	-	196,518,777	18,452	196,537,229

SPARX Funds Plc

**SECURITY FINANCING TRANSACTION REGULATION (UNAUDITED)
FOR THE YEAR ENDED 31 OCTOBER 2023 (CONTINUED)**

The biggest issuers in the portfolio of collateral as at 31 October 2023 are shown in the following table:

Non-cash collateral issuer SPARX Japan Fund	Total JPY
US Treasury	14,342,169,916
Japan Government	1,566,903,677
Southern Co.	17,722,155
SMTH	16,394,545
Total	<u>15,943,190,293</u>

The biggest issuers in the portfolio of collateral as at 31 October 2022 are shown in the following table:

Non-cash collateral issuer SPARX Japan Fund	Total JPY
UK Treasury	29,843,243
ANZ Bank	3,603,006
Orkla	1,810,598
Aristocrat LEIS	443,373
Aviva	56,778
Total	<u>35,756,998</u>

Non-cash collateral issuer SPARX Sustainable Equity Fund	Total JPY
US Treasury	157,212,080
Netherland Government Bond	39,306,697
Aviva	18,452
Total	<u>196,537,229</u>

SPARX Funds Plc

**SECURITY FINANCING TRANSACTION REGULATION (UNAUDITED)
FOR THE YEAR ENDED 31 OCTOBER 2023 (CONTINUED)**

The below table denotes the securities issued on loan broken down by counterparties as at 31 October 2023.

Sub-Funds	Functional Currency	Counterparty Name	Total
SPARX Japan Fund	JPY	HSBC Bank Plc	13,571,123,150
	JPY	Mizuho Securities Co Ltd	1,494,925,800

The below table denotes the securities issued on loan broken down by counterparties as at 31 October 2022.

Sub-Funds	Functional Currency	Counterparty Name	Total
SPARX Japan Fund	JPY	HSBC Bank Plc	33,800,000
SPARX Sustainable Equity Fund	JPY	HSBC Bank Plc	186,312,350

The below table denotes the collateral received by the Sub-Fund broken by the counterparties as at 31 October 2023.

Sub-Funds	Functional Currency	Counterparty Name	Total
SPARX Japan Fund	JPY	HSBC Bank Plc	14,359,892,071
	JPY	Mizuho Securities Co Ltd	1,583,298,222

As at 31 October 2023, the counterparty for securities lending was HSBC Bank Plc and Mizuho Securities Co Ltd. During the year Barclays Capital Securities Limited also acted as counterparties for securities lending.

The below table denotes the collateral received by the Sub-Fund broken by the counterparties as at 31 October 2022.

Sub-Funds	Functional Currency	Counterparty Name	Total
SPARX Japan Fund	JPY	HSBC Bank Plc	35,756,998
SPARX Sustainable Equity Fund	JPY	HSBC Bank Plc	196,537,229

As at 31 October 2022, the counterparty for securities lending was HSBC Bank Plc. During the year Mizuho Securities Co Ltd and Barclays Capital Securities Limited also acted as counterparties for securities lending.

UCITS V Remuneration Disclosure - Manager

The below disclosure is made in respect of the remuneration policies of Bridge Fund Management Limited (“Manager”) in accordance with the European Union Directive 2014/91/EU as implemented in Ireland by European Union (Undertakings for Collective Investment in Transferable Securities) (Amendment) Regulations 2016. This requires UCITS management companies to establish and apply remuneration policies and practices that promote sound and effective risk management, and do not encourage risk taking which is inconsistent with the risk profile of the UCITS.

The Manager has designated the following persons as Identified Staff:

1. Executive and Non-Executive members of the management body of the Manager e.g. CEO, Directors, Executive and Non-Executive partners
2. Senior management
3. Risk takers – staff who can exert material influence on the Manager or on the UCITS or AIFs it manages
4. Those in control functions: Operations, HR, Compliance, Finance where applicable
5. Staff whose total remuneration takes them into the bracket of senior management and risk takers, whose professional activities have a material impact on the Manager’s risk position or those of the UCITS and/or AIFs it manages and
6. Categories of staff of the entities to which portfolio management or risk management activities have been delegated whose professional activities have a material impact on the Manager’s risk position or those of the UCITS and/or AIFs it manages.

The Remuneration Policy is designed to discourage risk taking that is inconsistent with the risk profile of the UCITS and the Manager is not incentivised or rewarded for taking excessive risk.

The Manager is required under UCITS regulations to make quantitative disclosures of remuneration. Disclosures are provided in relation to Identified Staff who are employed directly by the Manager and Identified Staff who have the ability to materially impact the risk profile of the UCITS including individuals who, although not directly employed by the Manager, are assigned by their employer to carry out services directly by the Manager.

All remuneration paid to Identified Staff can be divided into:

- Fixed remuneration (payments or benefits without consideration of any performance criteria); and
- Variable remuneration (additional payments or benefits depending on performance or, in certain cases, other contractual criteria) which is not based on the performance of the UCITS.

Remuneration details for the Manager are disclosed below:

Description	Number of beneficiaries	Total remuneration paid	Fixed remuneration paid	Variable remuneration paid
Total Staff Remuneration	45	€3,948,284	€3,503,284	€445,000
Senior Management (including executives), risk takers and other identified staff	8	€1,194,440	€952,440	€242,000

Details of the Remuneration Policy, including, but not limited to, a description of how remuneration and benefits are calculated and the identity of persons responsible for awarding the remuneration and benefits is available at the following website:

<https://bridgefundservices.com/media/ceupd4jd/remuneration-policy.pdf>

UCITS V Remuneration Disclosure (continued)

Details of the Remuneration Policy, including, but not limited to, a description of how remuneration and benefits are calculated and the identity of persons responsible for awarding the remuneration and benefits is available at the following website:

<https://bridgefundmanagement.mjudson.com/>

Directors' fees charged as Directors of the Company for the year amounted to JPY 5,248,540.

ANNEX IV

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: SPARX Japan Fund

Legal entity identifier: 635400BTSWMY84SXPB33

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?	
<input checked="" type="radio"/> <input type="radio"/> Yes	<input type="radio"/> <input checked="" type="radio"/> No
<input type="checkbox"/> It made sustainable investments with an environmental objective: ___% <ul style="list-style-type: none"> <input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy 	<input checked="" type="checkbox"/> It promoted Environmental/Social (E/S) characteristics and while it did not have as its objective a sustainable investment, it had a proportion of 55% of sustainable investments <ul style="list-style-type: none"> <input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy <input checked="" type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy <input checked="" type="checkbox"/> with a social objective
<input type="checkbox"/> It made sustainable investments with a social objective: ___%	<input type="checkbox"/> It promoted E/S characteristics, but did not make any sustainable investments

To what extent were the environmental and/or social characteristics promoted by this financial product met?

All investments have been made in accordance with the environmental and social characteristics listed below. The Investment Advisor therefore believes that the characteristics promoted have been met.

Characteristic 1: Sustainable investment assessment

While the Fund does not have sustainable investment as its objective, it does assess the share of sustainable investments, by assessing the contribution of each underlying holding to one or multiple United Nations Sustainable Development Goals; whether the holding does not do significant harm to any environmental or social sustainable investment objective; and whether the holding follows good governance practices.

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

Appendix – Article 11 SFDR Disclosures for Article 8 Funds – Unaudited

Characteristic 2: ESG risk and impact screening

The Fund negatively screens for investments that:

- conflict with the Investment Advisor’s exclusion policy (which outlines industries/activities that have potentially negative environmental or social characteristics – for more information, please refer to the binding elements section in this disclosure)
- are exposed to unmanageable sustainability risks
- are exposed to unmanageable controversies
- cause principal adverse impacts considered unmanageable

Characteristic 3: ESG integration to drive environmental and social progress

The Fund integrates ESG considerations throughout the investment decision making process and the ownership period to drive environmental and social progress within its holdings. No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted.

● **How did the sustainability indicators perform?**

Characteristic 1: Sustainable investment assessment indicators

Indicator	2022 (last reporting period)		2023 (this reporting period)	
	Value	Data coverage (% of NAV) ¹	Value	Data coverage (% of NAV) ²
Share of investments (% of NAV) that contribute to SDGs with an environmental focus	9%	96%	9%	97%
Share of investments (% of NAV) that contribute to SDGs with a social focus	38%	96%	47%	97%
Share of investments (% of NAV) that do not do significant harm to any environmental or social sustainable investment objective	85%	94% ³	88% ⁴	96% ⁵
Share of investments (% of NAV) that follow good governance practices	94%	94% ⁶	91%	85% ⁷
Share of sustainable investments (% of NAV) that contribute to one or multiple SDGs, do not do significant harm to any environmental or social sustainable investment objective, and follow good governance practices	44%	91% ⁸	55%	97%

¹ 2022 data coverage excludes cash (4.1%). Therefore, the maximum data coverage is 96%. If data coverage is less than 96% it will be referenced accordingly.

² 2023 data coverage excludes cash (3%). Therefore, the maximum data coverage is 97%. If data coverage is less than 97% it will be referenced accordingly.

³ In addition to the cash (4.1%), insufficient data was available to validate the criteria.

⁴ 1 company did not pass the DNSH threshold. Mitsubishi Corporation had fossil fuel exposure..

⁵ In addition to cash (3%), 1% of data was unavailable to validate DNSH.

⁶ In addition to the cash (4.1%), insufficient data was available to validate the criteria.

⁷ In addition to cash (3%), 12% of data was unavailable to validate good governance practices.

⁸ In addition to the cash (4.1%), insufficient data was available to validate the criteria.

Appendix – Article 11 SFDR Disclosures for Article 8 Funds – Unaudited

Characteristic 2: ESG risk and impact screening

Indicator	2022 (last reporting period)		2023 (this reporting period)	
	Value	Data coverage (% of NAV)	Value	Data coverage (% of NAV)
ESG Risk Rating	22.8 ⁹	96%	22.5	96% ¹⁰
Occurrence and severity of controversies	1.4	96%	1.6	97%
Principal adverse impact indicators (4, 10 and 14)	<i>See table below</i>	91% ¹¹	<i>See table below</i>	94%

Principal adverse impact indicator	Unit	2022 (last reporting period)		2023 (this reporting period)	
		Value	Data coverage (% of NAV)	Value	Data coverage (% of NAV)
4. Exposure to companies active in the fossil fuel sector	% of NAV	8% ¹²	96%	8%	97%
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	% of NAV	n/a	0% ¹³	n/a	0% ¹⁴
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	% of NAV	0%	95% ¹⁵	0%	96% ¹⁶

Characteristics 3: ESG integration to drive environmental and social progress

Indicator	2022 (last reporting period)		2023 (this reporting period)	
	Value	Data coverage (% of NAV)	Value	Data coverage (% of NAV)
Scope 1+2 intensity ¹⁷	37.8 ¹⁸	96%	50.4	96% ¹⁹
Share of investments (% of NAV) that express support for TCFD recommendations	85%	96%	92%	97%

⁹ Value updated from previous periodic report.

¹⁰ In addition to cash (3%), 1% of data was unavailable to validate the criteria.

¹¹ In addition to the cash (4.1%), insufficient data was available to validate the criteria.

¹² Value updated from previous periodic report.

¹³ In addition to the cash, insufficient data was available to validate the criteria.

¹⁴ In addition to the cash, 3% of data was insufficient to validate the criteria.

¹⁵ In addition to the cash, insufficient data was available to validate the criteria.

¹⁶ In addition to the cash, 3% of data was insufficient to validate the criteria.

¹⁷ This metric is worked out using USD. The source uses USD so the value is most accurate when unaffected by exchange rates.

¹⁸ Value updated from previous periodic report.

¹⁹ In addition to the cash, 1% of data was insufficient to validate the criteria.

Appendix – Article 11 SFDR Disclosures for Article 8 Funds – Unaudited

● **...and compared to previous periods?**

As shown in the comparison tables above, compared to previous period(s), the sustainability indicators performed as follows:

Characteristic 1: Sustainable investment assessment indicators

- Share of investments (% of NAV) that contribute to SDGs with an environmental focus remained the same as the previous reporting period at 9%.
- Share of investments (% of NAV) that contribute to SDGs with a social focus changed from 38% to 47%, due to a number of new investments.
- Share of investments (% of NAV) that do not do significant harm to any environmental or social sustainable investment objective stayed the same from 85% to 88%. This was due to 1 companies not passing the DNSH threshold. Mitsubishi Corporation had fossil fuel exposure; Tokyo Electrons Limited had a UNGC violation.
- Share of investments (% of NAV) that follow good governance practices decreased from 94% to 91%. However, the data coverage also went down from 94% to 91%. Therefore, these companies could not validate the good governance criteria due to a lack of data available. In addition to 3% cash, 6% of companies had unavailable data for the criteria.
- Share of sustainable investments (% of NAV) that contribute to one or multiple SDGs, do not do significant harm to any environmental or social sustainable investment objective, and follow good governance practices increased from 44% to 55%.

Characteristic 2: ESG risk and impact screening

- ESG Risk Rating decreased slightly from 22.8 to 22.5. It is important to note, that last year's report reported a different value for 2022. This has been updated after rectification of methodology. This year's methodology has been improved using quarterly data.
- Occurrence and severity of controversies remained approximately constant, going from 1.4 to 1.6.
- Principal adverse impact indicators (4, 10 and 14)
 - PAI 4: Exposure to companies active in the fossil fuel sector has remained the same as last reporting period. It is important to note that the 2022 value for this indicator has been updated from 2% to 8%. This does not indicate an increase in fossil fuel exposure, only an update in methodology. For this reporting period and last reporting period, Mitsubishi Corporation was the only company within the fund to be exposed to the fossil fuel sector. Furthermore, only a certain share of Mitsubishi's revenue is derived from the fossil fuel sector; 26.6% and 27.5% in 2022 and 2023 respectively. Within the methodology, if a company has only little exposure, the whole investment counts towards exposure.

Appendix – Article 11 SFDR Disclosures for Article 8 Funds – Unaudited

- PAI 10: Violations of UN Global Compact (UNGC) principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises remained as 'Not available'. Data for UNGC violations was available and was 0%, with data coverage of 96%. No data was available regarding OECD guidelines violations.
- PAI 14: Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons) remained at 0%, with data coverage remaining very similar at 95% and 95%.

Characteristics 3: ESG integration to drive environmental and social progress

- Scope 1+2 intensity increased from 37.8 to 50.4. It is important to note, that last year's report reported a different value for 2022. This has been updated after rectification of methodology.
- Share of investments (% of NAV) that express support for TCFD recommendations increased from 85% to 92%.

● ***What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives***

The Fund uses the United Nations Sustainable Development Goals ('SDGs') as a reference for the sustainable investment objectives. The Fund does not focus on any of the SDGs in particular, as it believes that all SDGs are equally important and interconnected.

In its analysis of the contribution of underlying holdings towards one of the 17 SDGs, the Investment Advisor identifies the relevant sub targets that the holding contributes to. While the analysis is based on a high-level and desk-research based approach, the Fund ensures the analysis is carefully tracked, and a rationale for each selection is provided.

The analysis shows that the fund supports 6 SDGs through its holdings. These SDGs are: Decent work and economic growth (SDG 8), Affordable and Clean Energy (SDG 7), Industry, Innovation, and Infrastructure (SDG 9), Climate Action (SDG 13), Responsible Consumption and Production (SDG 12), Partnerships for the Goals (SDG 17).

● ***How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?***

In its sustainable investment analysis, the Fund also assesses for each underlying holding, whether the investment does or may cause harm to any environmental or social sustainable investment objective. The Investment Advisor considers the sustainability indicators listed to measure the attainment of Characteristic 2: ESG risk and impact screening, including ESG risk ratings, occurrence and severity of controversies, and principal adverse impact indicators, when assessing whether the underlying holding may harm any other environmental or social objective.

Appendix – Article 11 SFDR Disclosures for Article 8 Funds – Unaudited

The average ESG Risk Rating of the fund, based on Sustainalytics data, is 22.5, indicating a Medium ESG risk²⁰, similar as last year. The Controversy Rating, also based on Sustainalytics data, is indicating a Moderate controversy rating²¹. This ESG risk and controversy rating have been used to identify negative outliers that have could possibly cause significant harm. In this analysis, no companies have been identified as causing significant harm to any sustainable investment objective based on the Sustainalytics data.

In addition, certain principle adverse impact indicators have also been used in the analysis whether an investment causes significant harm to a sustainable investment objective. An investment is considered to do significant harm when it is active in the fossil fuel sector (PAI 4), involved in the manufacture or selling of controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons) (PAI 14), or when it has violated any of the UN Global Compact principles (PAI 10), see next section. This analysis was conducted for 96% of the portfolio (based on NAV), as there was no or insufficient data available for 4% of the portfolio including cash. Of this 96%, the analysis resulted in a total of 88% of NAV that do no significant harm. In the case of doubt, the investment will not qualify as a sustainable investment.

²⁰ Sustainalytics ESG Risk Ratings: Negligible (0-10), Low (10-20), Medium (20-30), High (30-40), Severe (40+)

²¹ Sustainalytics Controversy Ratings: Low (0-1), Moderate (1-2), Significant (2-3), High (3-4), Severe (4-5)

Appendix – Article 11 SFDR Disclosures for Article 8 Funds – Unaudited

How were the indicators for adverse impacts on sustainability factors taken into account?

The indicators for adverse impacts on sustainability factors are used as an input for the sustainable investment analysis, to assess whether underlying holdings may harm any other environmental or social objective (see above). After identifying and prioritising the adverse impacts, the Investment Advisor will assess what actions it can take and what targets it can set to mitigate those adverse impacts. When the principal adverse impacts are considered unmanageable, the Fund will consider excluding the investment.

Nr.	Principal adverse impact indicator	Unit	Value	Data coverage (% of NAV) ²²
1	GHG emissions			
	Scope 1 GHG emissions	tCO2e	19,335	96%
	Scope 2 GHG emissions	tCO2e	22,007	96%
	Scope 3 GHG emissions	tCO2e	126,117	96%
	Total GHG emissions	tCO2e	167,459	96%
2	Carbon footprint	tCO2e/M€ invested	166.2	96%
3	GHG intensity of investee companies	tCO2e/M€ rev	2.9	96%
4	Exposure to companies active in the fossil fuel sector	% of NAV	8%	97%
5	Share of non-renewable energy consumption and production	%	96%	22%
6	Energy consumption intensity per high impact climate sector	GWh/M€ rev	6.6	40%
7	Activities negatively affecting biodiversity-sensitive areas	%	n/a	0%
8	Emissions to water	Tonne/M€ invested	0.00024	5%
9	Hazardous waste and radioactive waste ratio	Tonne/M€ invested	0.0.00065	10%
10	Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	% of NAV	n/a	0%
11	Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises	% of NAV	n/a	0%
12	Unadjusted gender pay gap	%	n/a	0%
13	Board gender diversity	%	19%	89%
14	Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	% of NAV	0%	96%

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

²²Data coverage excludes cash (3%). For values below 97%: in addition to the cash, insufficient data was available to validate the criteria.

Appendix – Article 11 SFDR Disclosures for Article 8 Funds – Unaudited

— — Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:

The Fund excludes investments that that are exposed to severe controversies, as assessed by Sustainalytics’ Controversies Research. Due to a lack of data availability, the lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises could not be considered in this analysis.



How did this financial product consider principal adverse impacts on sustainability factors?

The Investment Advisor considers principal adverse impacts of its investment decisions on sustainability factors, both when making investment decisions and when evaluating the existing portfolio (as described in the previous section). When making investment decisions, the Investment Advisor uses available data and information to inform a high-level assessment of the target investment’s level of adverse impacts, and whether or not these impacts can be considered manageable.

2 companies did not pass the DNSH threshold. Mitsubishi Corporation had fossil fuel exposure. Tokyo Electronics Limited was flagged to have a UNGC violation. IR of the company was not aware of such violation and SPARX introduced data provider so that the company can discuss further. The data was updated during Q3 2023 and the company passed the DNSH threshold as of 31st of December 2023. Moreover, Socionext Inc. and Mercari, Inc. had no data availability. Mercari was sold in Q1 of 2023.



What were the top investments of this financial product?

The top 15 largest investments, based on the average 2023 portfolio weight (average per quarter end), are stated as follows.

Largest investments	Sector	% of NAV	Country
Hitachi, Ltd.	Electric Appliances	8.3%	Japan
Mitsubishi Corporation	Wholesale Trade	8.0%	Japan
SONY GROUP CORPORATION	Electric Appliances	7.0%	Japan
Seven & i Holdings Co., Ltd.	Retail Trade	5.4%	Japan
ROHTO PHARMACEUTICAL CO.,LTD.	Pharmaceutical	4.9%	Japan
Tokio Marine Holdings, Inc.	Insurance	4.8%	Japan
ORIX CORPORATION	Other Financing Business	4.2%	Japan
Recruit Holdings Co.,Ltd.	Services	3.9%	Japan
Tokyo Electron Limited	Electric Appliances	3.4%	Japan
FAST RETAILING CO.,LTD.	Retail Trade	3.3%	Japan
Mitsubishi UFJ Financial Group,Inc.	Banks	3.2%	Japan
Shin-Etsu Chemical Co.,Ltd.	Chemicals	3.0%	Japan
MS&AD Insurance Group Holdings, Inc.	Insurance	2.4%	Japan
Sompo Holdings, Inc.	Insurance	2.3%	Japan
Renesas Electronics Corporation	Electric Appliances	0.9%	Japan

The list includes the investments constituting the greatest proportion of investments of the financial product during the reference period which is: 01-10-2022 – 31-9-2023

Appendix – Article 11 SFDR Disclosures for Article 8 Funds – Unaudited

What was the proportion of sustainability-related investments?

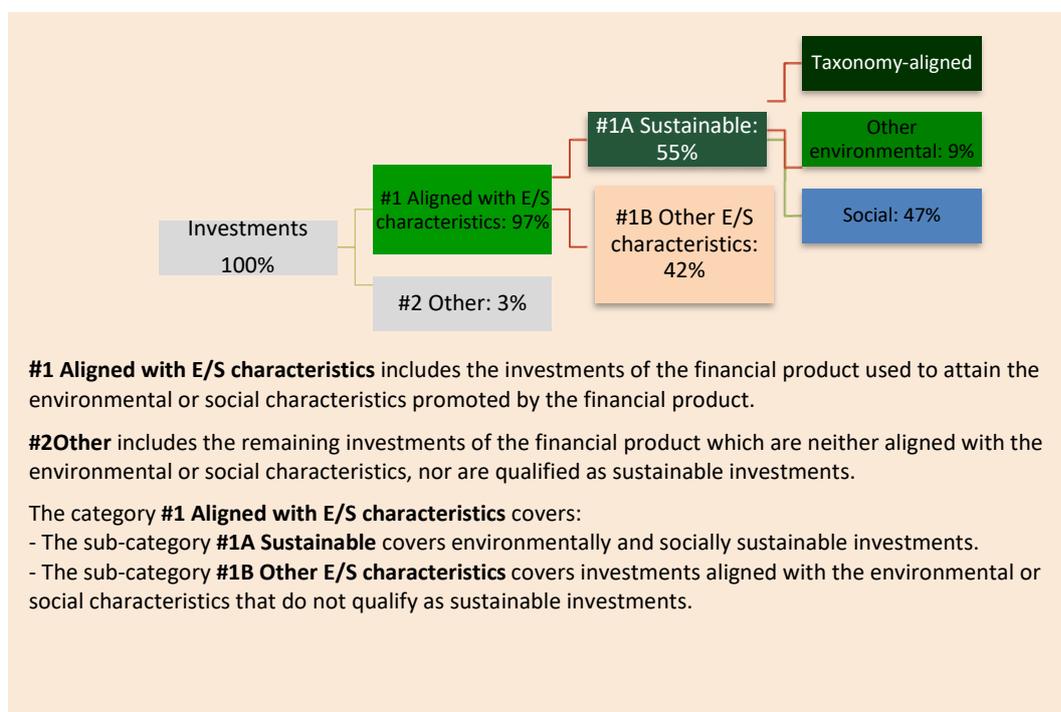
The share of investments (% of NAV) that are labelled as sustainable is 46%. 3% of NAV is held in cash.



● **What was the asset allocation?**

Investment decisions within SPARX Japan Fund are made with the investment strategy in mind emphasizing the environmental and social characteristics of the Fund. The graph below provides a breakdown of the asset allocation for the Fund.

Asset allocation describes the share of investments in specific assets.



● **In which economic sectors were the investments made?**

Sector	Weight (% of NAV)
Industrials	20%
Financials	14%
Consumer Discretionary	11%
Consumer Staples	9%
Information Technology	7%
Other	6%
Cash	3%

Appendix – Article 11 SFDR Disclosures for Article 8 Funds – Unaudited

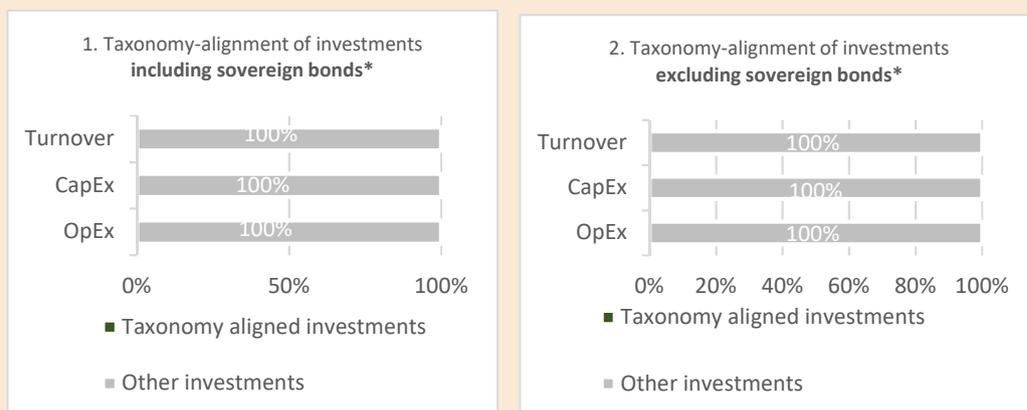
Based on the average 2023 portfolio weight (average per quarter end).



To what extent were the sustainable investments with an environmental objective aligned with the EU Taxonomy?

Based on an analysis using Trucost data for Japanese equities, the share of equity that is eligible (based on revenue) under the EU Taxonomy is at least 40% of NAV, shared over 24 companies. However, since data coverage among Japanese equities is limited and the quality of the data has not been validated, there are no indications for EU Taxonomy aligned activity and no conclusions can (yet) be drawn. The Taxonomy alignment of the fund therefore is 0%. The Fund does not have sustainable investment as its objective.

The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.*



*For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

● **What was the share of investments made in transitional and enabling activities?**

Since the Taxonomy alignment of the fund is 0%, no statement can be made about the proportion of transitional and enabling activities.

● **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**

Last year's reporting period showed a 0% alignment to the EU Taxonomy. This reporting period also shows a 0% Taxonomy alignment.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflects the "greenness" of investee companies today.
- **capital expenditure** (CapEx) shows the green investments made by investee companies, relevant for a transition to a green economy.
- **operational expenditure** (OpEx) reflects the green operational activities of investee companies.

Enabling activities

directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are

activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

Appendix – Article 11 SFDR Disclosures for Article 8 Funds – Unaudited

 are sustainable investments with an environmental objective that do not take into account the criteria for environmentally sustainable economic activities under Regulation (EU) 2020/852.



What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

Indicator	2022 (last reporting period)		2023 (this reporting period)	
	Value	Data coverage (% of NAV)	Value	Data coverage (% of NAV)
Share of sustainable investments (% of NAV) that contribute to SDGs with an environmental focus, do not do significant harm to any environmental or social sustainable investment objective, and follow good governance practices	6%	92% ²³	9%	97%



What was the share of socially sustainable investments?

Indicator	2022 (last reporting period)		2023 (this reporting period)	
	Value	Data coverage (% of NAV)	Value	Data coverage (% of NAV)
Share of sustainable investments (% of NAV) that contribute to SDGs with an environmental focus, do not do significant harm to any environmental or social sustainable investment objective, and follow good governance practices	37%	92% ²⁴	47%	97%



What investments were included under “other”, what was their purpose and were there any minimum environmental or social safeguards?

While the Fund aims to be fully invested, at times the Fund may hold cash for subscription redemption purposes. Since it concerns cash, minimum environmental and social safeguards are not relevant.

The "Other" category consists of 3% cash.



What actions have been taken to meet the environmental and/or social characteristics during the reference period?

While the Fund does not have sustainable investment as its objective, one of the most important actions taken during the reference period is that the Investment Advisor has

²³ In addition to the cash (4.1%), insufficient data was available to validate the criteria.

²⁴ In addition to the cash (4.1%), insufficient data was available to validate the criteria.

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followed a framework to diligently monitor and report on the attainment of sustainable investments.

In addition, the Investment Advisor has ensured that ESG and sustainability considerations are integrated into the entire lifecycle of an investment to ensure a portion of the Fund can attain its sustainable investments. As such, these considerations are integrated at the following stages:

- Investment screening and analysis
- Investment valuation and selection
- Monitoring
- Divestment

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Periodic disclosure for the financial products referred to in Article 9, paragraphs 1 to 4a, of Regulation (EU) 2019/2088 and Article 5, first paragraph, of Regulation (EU) 2020/852

Product name: SPARX Japan Sustainable Equity Fund

Legal entity identifier: 635400NCQX9MWHFWIB04

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852 establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



Sustainable investment objective

Did this financial product have a sustainable investment objective?	
<input checked="" type="radio"/> <input checked="" type="radio"/> <input checked="" type="checkbox"/> Yes	<input checked="" type="radio"/> <input type="radio"/> <input type="checkbox"/> No
<input checked="" type="checkbox"/> It made sustainable investments with an environmental objective : 31% <ul style="list-style-type: none"> <input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy <input checked="" type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy 	<input type="checkbox"/> It promoted Environmental/Social (E/S) characteristics and while it did not have as its objective a sustainable investment, it had a proportion of ___% of sustainable investments <ul style="list-style-type: none"> <input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> with a social objective
<input checked="" type="checkbox"/> It made sustainable investments with a social objective : 61%	<input type="checkbox"/> It promoted E/S characteristics, but did not make any sustainable investments

To what extent was the sustainable investment objective of this financial product met?

The Fund’s sustainable investment objective is to achieve sustainable capital growth by establishing a portfolio of companies participating in the transition to a more sustainable economy, and by extension those capable of capturing sustainability-related value.

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The Fund uses the United Nations Sustainable Development Goals ('SDGs') as a reference for the sustainable investment objectives. The Fund does not focus on any of the SDGs in particular, as it believes that all SDGs are equally important and interconnected. In its analysis of the contribution of underlying holdings towards one or multiple of the 17 SDGs, the Investment Advisor identifies the relevant sub targets that the holding contributes to. While the analysis is based on a high-level and desk-research based approach, the Investment Advisor ensures the analysis is carefully tracked, and a rationale for each selection is provided.

Overall, the Investment Advisor believes that the sustainable investment objective has been met. All investments in the Fund are actively contributing to at least one of SDGs and therefore contribute to either an environmental or social objective. Unfortunately, the analysis also concluded that a small proportion of investments cannot be considered sustainable, due to the fact that they do not meet all the criteria regarding significant harm and good governance practices.

The Fund was terminated during the accounting period on the 29th of June 2023. The sustainability-related and financial data presented herein exclusively pertains to the specific timeframe leading up to the termination: October 2022 until the end of June 2023. Each quarter end data was used for the purpose of this disclosure: December 2022, March 2023 and May 2023. May 2023 data was used instead of June 2023 data because it was a more accurate representation of the Fund's holdings. Despite termination, effort has been made to present an exact and reliable account of the fund's financial standing, utilising actual values where available.

Due to its termination, this is the final periodic disclosure that will be produced for this Fund.

● ***How did the sustainability indicators perform?***

The Fund has monitored the sustainability indicators as extensively as possible within the limits of data availability within the geographic location the Fund is active. The tables below show the values for each of the indicators, and the data coverage for that specific indicator, expressed as a percentage of total fund value. All averages are weighted according to the weight of the investments in the Fund.

In addition to the indicators below, when the investment team believes that PAI data is unreliable or insufficient to accurately assess the DNSH condition SPARX' proprietary research is used, where risks on environmental, social and governance aspects are assessed. Similarly, to accurately assess the good governance practices of holdings, SPARX' proprietary research is also used that leverages Sustainalytics data.

The analysis shows that the fund supports 11 SDGs through its holdings. These SDGs are Good health and well-being (**SDG 3**), Quality Education (**SDG 4**), Clean Water and Sanitation (**SDG 6**), Affordable and Clean Energy (**SDG 7**), Decent work and economic growth (**SDG 8**), Industry, Innovation and Infrastructure (**SDG 9**), Reduced Inequalities (**SDG 10**), Sustainable Cities and Communities (**SDG 11**), Responsible Consumption and Production (**SDG 12**), Climate Action (**SDG 13**), Partnerships for the Goals (**SDG 17**).

Sustainability

indicators measure how the sustainable objectives of this financial product are attained.

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Sustainable investment assessment indicators

Indicator	2022 (last reporting period)		2023 (this reporting period)	
	Value	Data coverage (% of NAV) ¹	Value	Data coverage (% of NAV) ²
Share of investments (% of NAV) that contribute to SDGs with an environmental focus	31%	99%	34%	98%
Share of investments (% of NAV) that contribute to SDGs with a social focus	68%	99%	63%	98%
Share of investments (% of NAV) that do not do significant harm to any environmental or social sustainable investment objective	79%	90% ³	93%	95% ⁴
Share of investments (% of NAV) that follow good governance practices	98%	98% ⁵	95%	95% ⁶
Share of environmentally sustainable investments (% of NAV) that contribute to one or multiple SDGs with an environmental focus, do not do significant harm to any environmental or social sustainable investment objective, and follow good governance practices	24%	90% ⁷	31%	98%
Share of socially sustainable investments (% of NAV) that contribute to one or multiple SDGs with a social focus, do not do significant harm to any environmental or social sustainable investment objective, and follow good governance practices	55%	90% ⁸	61%	98%

¹ 2022 data coverage excludes cash (1.5%). Therefore, the maximum data coverage is 99%. If data coverage is less than 99% it will be referenced accordingly.

² 2023 data coverage excludes cash (2.2%). Therefore, the maximum data coverage is 98%. If data coverage is less than 98% it will be referenced accordingly.

³ In addition to cash (1.5%), insufficient data was available to validate criteria.

⁴ In addition to cash (2.2%), 2.4% of data was unavailable to validate DNSH.

⁵ In addition to cash (1.5%), insufficient data was available to validate criteria.

⁶ In addition to cash (2.2%), 2.4% of data was unavailable to validate good governance practices.

⁷ In addition to cash (1.5%), insufficient data was available to validate criteria.

⁸ In addition to cash (1.5%), insufficient data was available to validate criteria.

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ESG integration to drive environmental and social progress

Indicator	2022 (last reporting period)		2023 (this reporting period)	
	Value	Data coverage (% of NAV)	Value	Data coverage (% of NAV)
Scope 1+2 intensity (tCO2e/M€ rev)	45	99%	33.5	98%
Share of investments (% of NAV) that express support for TCFD recommendations	82%	99%	85%	98%
Share of investments (% of NAV) committed to SBTi	34%	99%	61%	95%
Share of investments (% of NAV) that express support for the OECD Guidelines for Multinational Enterprises	n/a	0% ¹	n/a	0%
Share of investments (% of NAV) that express support for the ten principles of the UN Global Compact	47%	99%	50%	93%
Share of investments (% of NAV) that express support for the UN Guiding Principles on Business and Human Rights	n/a	0% ²	n/a	0%

...and compared to previous periods?

Sustainable investment assessment indicators

As shown in the comparison tables below, 4 out of 6 sustainable investment assessment indicators showed an increase in percentage value from 2022:

- Share of investments (% of NAV) that contribute to SDGs with an environmental focus
- Share of investments (% of NAV) that do not do significant harm to any environmental or social sustainable investment objective
- Share of environmentally sustainable investments (% of NAV) that contribute to one or multiple SDGs with an environmental focus, do not do significant harm to any environmental or social sustainable investment objective, and follow good governance practices
- Share of socially sustainable investments (% of NAV) that contribute to one or multiple SDGs with a social focus, do not do significant harm to any environmental or social sustainable investment objective, and follow good governance practices

2 out of 6 sustainable investment assessment indicators showed a decrease:

- Share of investments (% of NAV) that contribute to SDGs with a social focus
- Share of investments (% of NAV) that follow good governance practices

¹ In addition to the cash, insufficient data was available to validate the criteria.

² In addition to the cash, insufficient data was available to validate the criteria.

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ESG integration to drive environmental and social progress

- Scope 1+2 intensity (tCO₂e/M€ rev) decreased from 45 to 33.5.
- Share of investments (% of NAV) that express support for TCFD recommendations increased from 83% to 85%.
- Share of investments (% of NAV) committed to SBTi increased from 34% to 61%.
- Share of investments (% of NAV) that express support to the ten principles of the UN Global Compact increased from 47% to 50%.

For the rest of the indicators as follows, no data was available for this reporting period:

- Share of investments (% of NAV) that express support to the OECD Guidelines for Multinational Enterprises
- Share of investments (% of NAV) that express support to the UN Guiding Principles on Business and Human Rights

● ***How did the sustainable investments not cause significant harm to any sustainable investment objective?***

In its sustainable investment analysis, the Fund assesses for each underlying holding, whether the investment does or may cause harm to any environmental or social sustainable investment objective. The Investment Advisor considers the following indicators for assessing whether the underlying holdings may harm any other environmental or social objective.

The average ESG Risk Rating of the fund, based on Sustainalytics data, is 20.4, indicating a Medium ESG risk¹, which was the same ESG Risk Rating for the last reporting period. The Controversies Rating, also based on Sustainalytics data, indicating a moderate controversy rating². This ESG risk and controversy rating have been used to identify negative outliers that could possibly cause significant harm. In this analysis, no companies have been identified as causing significant harm to any sustainable investment objective based on the Sustainalytics data.

In addition, certain principle adverse impact indicators have also been used in the analysis of whether an investment causes significant harm to a sustainable investment objective. An investment is considered to do significant harm when it is active in the fossil fuel sector (PAI 4), involved in the manufacture or selling of controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons) (PAI 14), or when it has violated any of the UN Global Compact principles (PAI 10), see next section. This analysis was conducted for 95% of the portfolio (based on NAV), as there was no or insufficient data available 5% of the portfolio including cash. Of this 95%, the analysis resulted in a total of 93% of NAV that do no significant harm.

¹ Sustainalytics ESG Risk Ratings: Negligible (0-10), Low (10-20), Medium (20-30), High (30-40), Severe (40+)

² Sustainalytics Controversy Ratings: Low (0-1), moderate (1-2), Significant (2-3), High (3-4), Severe (4-5)

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ESG risk and impact screening

Indicator	2022 (last reporting period)		2023 (this reporting period)	
	Value	Data coverage (% of NAV)	Value	Data coverage (% of NAV)
ESG Risk Rating	20.4	99%	20.4	96% ¹
Occurrence and severity of controversies: Sustainalytics Controversy Rating	1.4	99% ¹	1.5	98%
Principal adverse impact indicators (4, 10 and 14)	<i>See table below</i>	90% ²	<i>See table below</i>	Maximum of 98% Minimum of 95%

Principal adverse impact indicator	Unit	2022 (last reporting period)		2023 (this reporting period)	
		Value	Data coverage (% of NAV)	Value	Data coverage (% of NAV)
4. Exposure to companies active in the fossil fuel sector	% of NAV	3%	99%	1%	98%
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	% of NAV	7%	98% ³	1%	95% ⁴
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	% of NAV	0%	89% ⁵	0%	95% ⁶

How were the indicators for adverse impacts on sustainability factors taken into account?

The indicators for adverse impacts on sustainability factors are used as input for the sustainable investment analysis, to assess whether underlying holdings may harm any other environmental or social objective (see above). After identifying and prioritising the adverse impacts, the Investment Advisor will assess what actions it can take and what targets it can

¹ In addition to the cash, insufficient data was available to validate the criteria.

² In addition to the cash, insufficient data was available to validate the criteria.

³ In addition to the cash, insufficient data was available to validate the criteria.

⁴ In addition to the cash, insufficient data was available to validate the criteria.

⁵ In addition to the cash, insufficient data was available to validate the criteria.

⁶ In addition to the cash, insufficient data was available to validate the criteria.

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set to mitigate those adverse impacts. When the principal adverse impacts are considered unmanageable, the Fund will consider excluding the investment.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

Nr.	Principal adverse impact indicator	Unit	Value	Data coverage (% of NAV) ¹
1	GHG emissions			
	Scope 1 GHG emissions	tCO2e	3,814	98%
	Scope 2 GHG emissions	tCO2e	4,931	98%
	Scope 3 GHG emissions	tCO2e	31,692	98%
	Total GHG emissions	tCO2e	40,437	98%
2	Carbon footprint	tCO2e/M€ invested	171.4	98%
3	GHG intensity of investee companies	tCO2e/M€ rev	33	98%
4	Exposure to companies active in the fossil fuel sector	% of NAV	1%	98%
5	Share of non-renewable energy consumption and production	%	83%	64%
6	Energy consumption intensity per high impact climate sector	GWh/M€ rev	1.5	78%
7	Activities negatively affecting biodiversity-sensitive areas	%	n/a	0%
8	Emissions to water	Tonne/M€ invested	0.00001	3%
9	Hazardous waste and radioactive waste ratio	Tonne/M€ invested	0.00075	29%
10	Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	% of NAV	1%	95%
11	Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises	% of NAV	n/a	0%
12	Unadjusted gender pay gap	%	30.3%	9%
13	Board gender diversity	%	18.8%	95%
14	Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	% of NAV	0%	95%

Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:

The Fund excludes investments that are exposed to severe controversies, as assessed by Sustainalytics' Controversies Research. Due to limited data availability for the investments the breaches of the OECD Guidelines and UN Global Principles on Business and Human Rights could not be considered this as part of the Investment Advisor's investment decision-making process.

The Investment Advisor does monitor the support of the UN Global Compact Principles, which are also used in investment decisions and on engagement during the holding period.

¹ Data coverage of less than 98% is a result of insufficient data available for some companies.

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Indicator	Unit	2022 (last reporting period)		2023 (this reporting period)	
		Value	Data coverage (% of NAV)	Value	Data coverage (% of NAV)
UNGC principles supporters	% of NAV	47%	99%	50%	93% ¹



How did this financial product consider principal adverse impacts on sustainability factors?

The Investment Advisor considers principal adverse impacts of its investment decisions on sustainability factors, both when making investment decisions and when evaluating the existing portfolio (as described in the previous section). When making investment decisions, the Investment Advisor uses available data and information to inform a high-level assessment of the target investment's level of adverse impacts, and whether or not these impacts can be considered manageable.



What were the top investments of this financial product?

The top 15 largest investments, based on the average 2023 portfolio weight (average per quarter end), are stated as follows.

Largest investments	Sector	% of NAV	Country
Tokio Marine Holdings, Inc.	Insurance	4.3%	Japan
SONY GROUP CORPORATION	Electric Appliances	4.1%	Japan
BRIDGESTONE CORPORATION	Rubber Products	3.7%	Japan
Hitachi, Ltd.	Electric Appliances	3.7%	Japan
FAST RETAILING CO.,LTD.	Retail Trade	3.5%	Japan
NIPPON TELEGRAPH AND TELEPHONE CORPORATION	Information & Communication	3.4%	Japan
Fujitsu Limited	Electric Appliances	3.3%	Japan
Nintendo Co.,Ltd.	Other Products	3.2%	Japan
YAMAHA CORPORATION	Other Products	3.2%	Japan
DAIKIN INDUSTRIES, LTD.	Machinery	3.1%	Japan
MARUI GROUP CO.,LTD.	Retail Trade	3.1%	Japan
Pan Pacific International Holdings Corporation	Retail Trade	2.5%	Japan
Sekisui House,Ltd.	Construction	2.1%	Japan
Tokyo Electron Limited	Electric Appliances	2.1%	Japan
Mitsubishi Estate Company,Limited	Real Estate	1.6%	Japan

The list includes the investments constituting the **greatest proportion of investments** of the financial product during the reference period which is: 01-10-2022 – 31-9-2023

¹ In addition to the cash, insufficient data was available to validate the criteria.

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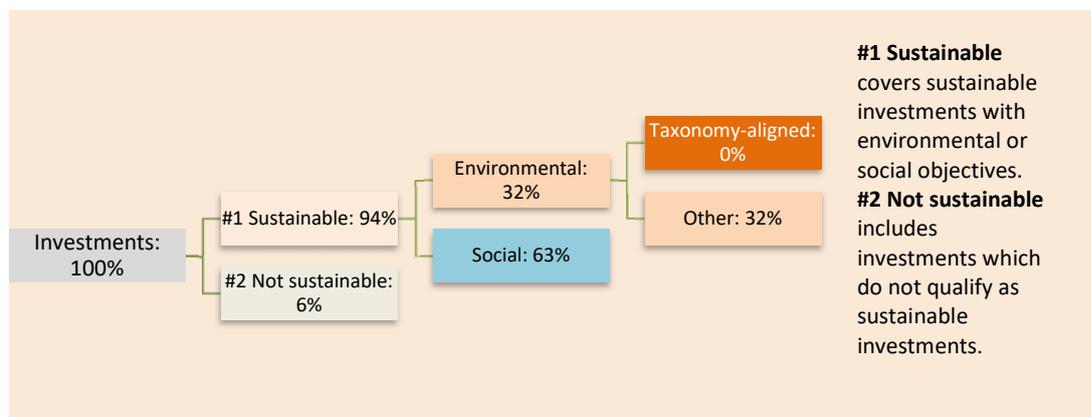


What was the proportion of sustainability-related investments?

The share of investments (% of NAV) that are labelled as sustainable is 92%. The share of investments with insufficient or not available data is 2.2% which consists of 2.2% of cash.

What was the asset allocation?

In the graph below, the asset allocation has been shown graphically. This graph only shows 98% of NAV (excluding cash which was 2.2%).



Figures are rounded to whole numbers.

In which economic sectors were the investments made?

Sector	Weight (% of NAV)
Industrials	23%
Consumer Discretionary	22%
Information Technology	14%
Communication Services	13%
Financials	12%
Other	13%
Cash	2%

Based on the average 2023 portfolio weight (average per quarter end).



To what extent were sustainable investments with an environmental objective aligned with the EU Taxonomy?

Based on an analysis using Trucost data for Japanese companies, the share of equity that is eligible (based on revenue) under the EU Taxonomy was an average of 45%. A further two companies (NIPPON TELEGRAPH AND TELEPHONE CORPORATION and Sekisui House,Ltd) had some Taxonomy-aligned revenue.

Asset allocation describes the share of investments in specific assets.

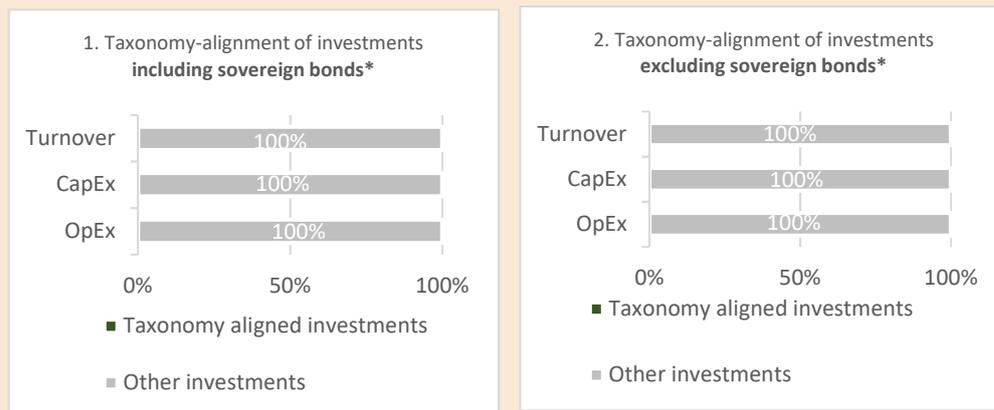
Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

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However, there were data limitations and a lack of consistency and quality for Japanese equities. Taxonomy-related data was not verified. Therefore, no Taxonomy alignment assessments could be performed and thus the Taxonomy alignment of the Fund was 0%.

The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



*For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

● **What was the share of investments made in transitional and enabling activities?**

Since the Taxonomy alignment of the Fund is 0%, no statement can be made about the proportion of transitional and enabling activities.

● **How did the percentage of investments aligned with the EU Taxonomy compare with previous reference periods?**

Taxonomy data analysis for previous reference period (2022) was 0% alignment. Therefore, there was no increase in Taxonomy alignment for the Fund.



What was the share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy?

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective
Transitional activities are economic activities for which low-carbon alternatives are not yet available and that have greenhouse gas emission levels corresponding to the best performance.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

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Indicator	2022 (last reporting period)		2023 (this reporting period)	
	Value	Data coverage (% of NAV)	Value	Data coverage (% of NAV)
Share of sustainable investments (% of NAV) that contribute to SDGs with an environmental focus, do not do significant harm to any environmental or social sustainable investment objective, and follow good governance practices	24%	90%	31%	98%

The share of environmentally sustainable investments was greater this reporting period versus the last reporting period. Additionally, data coverage increased from 90% to 98%.



What was the share of socially sustainable investments?

Indicator	2022 (last reporting period)		2023 (this reporting period)	
	Value	Data coverage (% of NAV)	Value	Data coverage (% of NAV)
Share of sustainable investments (% of NAV) that contribute to SDGs with an environmental focus, do not do significant harm to any environmental or social sustainable investment objective, and follow good governance practices	55%	90%	61%	98%

The share of socially sustainable investments was greater this reporting period versus the last reporting period. Additionally, data coverage increased from 90% to 98%.



What investments were included under “not sustainable”, what was their purpose and were there any minimum environmental or social safeguards?

While the Fund aims to be fully invested in sustainable investments and all investments contribute to an environmental or social objective, 6 investments that do not pass the criteria of “do no significant harm” and “good governance”. Together, these companies make up 6% of NAV.

Company name	Criteria of labelling as “not sustainable”	Comment
West Holdings Corporation	Insufficient information	Company did not have sufficient data to determine whether good governance practices were followed
NISSIN FOODS HOLDINGS CO.,LTD.	Minimum of 1 UNGC violations	Contacted the company on 26th of January 2024. The company confirmed that it took a corrective measure on UNGC violation, and it discussed the data provider. The company expects that the data will be updated in Q1 2024
Bengo4.com,Inc.	Insufficient information	Company did not have sufficient data to determine whether good governance practices were followed
QB Net Holdings Co.,Ltd.	Insufficient governance policies in place	Company did not have the minimum number of policies required

Appendix – Article 11 SFDR Disclosures for Article 9 Funds – Unaudited

DAIKIN INDUSTRIES, LTD.	Did not meet DNSH threshold	Company exposed to fossil fuels. Sold position before March 2023.
Japan Exchange Group	Does not contribute to SDG	Company does not contribute to an SDG



What actions have been taken to attain the sustainable investment objective during the reference period?

One of the most important actions taken during the reference period is that the Investment Advisor has followed a framework to diligently monitor and report on the attainment of the sustainable investment objective and related sustainability indicators. In addition, the Investment Advisor has ensured that ESG and sustainability considerations are fully integrated into the entire lifecycle of an investment to ensure the Fund can attain its sustainable investment objectives. As such, these considerations are integrated at the following stages:

- Investment screening and analysis
- Investment valuation and selection
- Monitoring
- Engagement
- Divestment

The Investment Advisor participates in sustainable value creation by contributing to the formation of a better investment chain. In order to achieve this goal, the Investment Advisor place the highest priority on engagement with portfolio companies and prospective portfolio companies in investment activities.

In order to build good relationships with the portfolio companies, the Investment Advisor conducts engagement activities based on dialogue. In dialogue, the Investment Advisor places emphasis on accepting the individuality of the company, and the content and frequency of dialogue are handled on a case-by-case basis according to the situation of the company.

Through dialogue, the Investment Advisor aim to raise the level of conviction for investment by getting closer to the actual situation of the company, which cannot be seen through mere interviews, and to support the improvement of corporate value by providing insights to investee companies through dialogue.