

FOR IMMEDIATE RELEASE



February 27, 2025

Company name: Avex Inc.
Representative: Katsumi Kuroiwa, Representative Director, CEO
(Securities code: 7860, TSE Prime Market)
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Notice of Reorganization of Group Companies and Change of Board Members

Avex Inc. (the “Company”) hereby announces that a meeting of its Board of Directors held today passed the following resolutions to reorganize the Avex Group companies on April 1, 2025, and to change the Board Members.

This reorganization will involve the Company’s wholly owned subsidiaries and some information is therefore omitted from the disclosure.

Details

I. Reorganization of the Group companies

1. Overview of the reorganization

In the medium-term management plan, avex vision 2027, announced in May 2022, the Company focuses on "meeting and developing talent," which is the basis of the Company's value creation, as a key strategy. It also actively invests in intellectual property development and pursues a range of measures to build a system for achieving medium to long-term growth. In this context, the reorganization is intended to increase the Company’s profitability and medium- to long-term competitiveness by improving its business portfolio, including the withdrawal from or downsizing of inefficient businesses, to further accommodate changes in the business environment in light of its performance trends.

- A. Absorption-type company split of Avex Fan Marketing Inc. (“AFM”) by Avex Entertainment Inc. (“AEI”) and dissolution and liquidation of AFM
- B. Merger and acquisition of Avex Technologies Inc. (“ATS”) by AEI
- C. Partial absorption-type company split of Avex Alliance & Partners Inc. (“AAP”) by AEI
- D. Change of the trade name of Avex Asia Pte. Ltd. (“AAS”)

2.Details of the reorganization

a. Absorption-type company split of AFM by AEI and dissolution and liquidation of AFM

(1)Overview of the split

(i) Schedule of the split

| | |
|----------------------------------------------------------------------|-----------------------|
| Date of Board resolution for approval of the company split agreement | February 27, 2025 |
| Date of conclusion of the company split agreement | February 27, 2025 |
| General Shareholders Meeting to approve the split agreement (AEI) | March 31, 2025 (plan) |
| Effective date for the split | April 1, 2025 (plan) |
| General Shareholders Meeting to approve the | Early April, (plan) |

| | |
|---------------------------------|-----------------------|
| dissolution (AFM) | |
| Completion of liquidation (AFM) | September 2025 (plan) |

(ii) Form of the split

It is an absorption-type company split, in which AEI will be the successor company and AFM will be the split company.

(iii) Allocations related to the split

Not applicable

(iv) Treatment of share acquisition rights and bonds with stock acquisition rights arising from the company split

Not applicable

(v) Change in capital

There will be no change in the amount of capital of the Company and AEI.

(vi) Rights and obligations to be succeeded to by AEI

AEI will succeed to AFM's fan club business and assets and liabilities in the contract management business related to music and video content distribution as well as the accompanying rights and obligations as of the effective date within the range specified in the absorption-type company split agreement.

(vii) Prospect of fulfillment of debt obligations

The Company considers that there will be no issues with respect to the outlook on the fulfillment of obligations to be assumed by the succeeding company.

(2) Overview of the companies involved

| | | Split company (As of March 31, 2024) | Successor company (As of March 31, 2024) |
|--------|--------------------------------------------|--------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------|
| (i) | Name | Avex Fan Marketing Inc. | Avex Entertainment Inc. |
| (ii) | Address | 1-4-1, Mita, Minato-ku, Tokyo, Japan | 1-4-1, Mita, Minato-ku, Tokyo, Japan |
| (iii) | Title and name of representative | President Jun Tsukuda | President Katsumi Kuroiwa |
| (iv) | Business | Operation of fan clubs, the planning, production, sale and distribution of digital content, etc. | Management of and support for subsidiaries related to the music business |
| (v) | Share capital | 100 million yen | 200 million yen |
| (vi) | Established | October 1, 2004 | October 1, 1997 |
| (vii) | Number of shares issued | 9,751 shares | 4,000 shares |
| (viii) | Fiscal year end | March 31 | March 31 |
| (ix) | Major shareholders and shareholding ratios | Avex Entertainment Inc. 100% | Avex Inc. 100% |

(3) Status after the absorption-type company split

The absorption-type company split will not result in any changes to the names, locations, titles and names of the representatives, description of business, share capital, and accounting periods of the companies involved. AFM will be dissolved and liquidated after the effective date of the absorption-type company split.

A business transfer agreement will be signed separately with the Company's management subsidiary for all of the businesses of AFM's fan club operation and planning, promotion, sale, distribution, etc. of digital content. Fan club operation will be continued by the Group's management companies. AEI will provide data analysis and operation support and will establish a new organization to promote profit maximization. Through these efforts, the Company will enhance its coordination with artist management by transferring

the artists' fan club function to each management company and provide content corresponding to the attributes of each artist with the aim of maximizing the customer base.

b. Merger and acquisition of ATS by AEI

(1) Overview of the split

(i) Schedule of the split

| | |
|----------------------------------------------------------------------|-----------------------|
| Date of Board resolution for approval of the company split agreement | February 27, 2025 |
| Date of conclusion of the company split agreement | February 27, 2025 |
| General Shareholders Meeting to approve the split agreement (AEI) | March 31, 2025 (plan) |
| Effective date for the split | April 1, 2025 (plan) |

(ii) Method of the merger

It is a merger and acquisition, in which AEI will be the surviving company and ATS will be the dissolving company.

(iii) Allocations related to the merger

Not applicable

(iv) Treatment of share acquisition rights and bonds with share acquisition rights arising from the merger

Not applicable

(2) Overview of the companies involved

| | | Surviving company (As of March 31, 2024) | Dissolving company (As of March 31, 2024) |
|--------|--------------------------------------------|--------------------------------------------------------------------------|------------------------------------------------|
| (i) | Name | Avex Entertainment Inc. | Avex Technologies Inc. |
| (ii) | Address | 1-4-1, Mita, Minato-ku, Tokyo, Japan | 1-4-1, Mita, Minato-ku, Tokyo, Japan |
| (iii) | Title and name of representative | President Katsumi Kuroiwa | President Hisaou Wakaizumi |
| (iv) | Business | Management of and support for subsidiaries related to the music business | Contract development of blockchain games, etc. |
| (v) | Share capital | 200 million yen | 100 million yen |
| (vi) | Established | October 1, 1997 | May 14, 2019 |
| (vii) | Number of shares issued | 4,000 shares | 2,000 shares |
| (viii) | Fiscal year end | March 31 | March 31 |
| (ix) | Major shareholders and shareholding ratios | Avex Inc. 100% | Avex Entertainment Inc. 100% |

(3) Status after the absorption-type merger

The merger and acquisition will not result in any changes to the name, location, title and name of the representative, description of business, share capital, and accounting period of AEI being the surviving company.

c. Partial absorption-type company split of AAP by AEI

(1) Overview of the split

(i) Schedule of the split

| | |
|----------------------------------------------------------------------|-------------------|
| Date of Board resolution for approval of the company split agreement | February 27, 2025 |
| Date of conclusion of the company split agreement | February 27, 2025 |

| | |
|-------------------------------------------------------------------|-----------------------|
| General Shareholders Meeting to approve the split agreement (AEI) | March 31, 2025 (plan) |
| Effective date for the split | April 1, 2025 (plan) |

(ii) Form of the split

It is an absorption-type company split, in which AEI will be the successor company and AAP will be the split company.

(iii) Allocations related to the split

Not applicable

(iv) Treatment of share acquisition rights and bonds with stock acquisition rights arising from the company split

Not applicable

(v) Change in capital

There will be no change in the amount of capital of the Company and AEI.

(vi) Rights and obligations to be succeeded to by AEI

AEI will succeed to the assets and liabilities in AAP's dance school-related business, etc. and the accompanying rights and obligations as of the effective date within the range specified in the absorption-type company split agreement.

(vii) Prospect of fulfillment of debt obligations

The Company considers that there will be no issues with respect to the outlook on the fulfillment of obligations to be assumed by the succeeding company.

(2) Overview of the companies involved

| | | Split company (As of March 31, 2024) | Successor company (As of March 31, 2024) |
|--------|--------------------------------------------|---------------------------------------------------------------------------|--------------------------------------------------------------------------|
| (i) | Name | Avex Alliance&Partners Inc. | Avex Entertainment Inc. |
| (ii) | Address | 1-4-1, Mita, Minato-ku, Tokyo, Japan | 1-4-1, Mita, Minato-ku, Tokyo, Japan |
| (iii) | Title and name of representative | President Masahiko Tan | President Katsumi Kuroiwa |
| (iv) | Business | Advertising agency services, planning and production of advertising, etc. | Management of and support for subsidiaries related to the music business |
| (v) | Share capital | 100 million yen | 200 million yen |
| (vi) | Established | August 1, 2023 | October 1, 1997 |
| (vii) | Number of shares issued | 2,000 shares | 4,000 shares |
| (viii) | Fiscal year end | March 31 | March 31 |
| (ix) | Major shareholders and shareholding ratios | Avex Entertainment Inc. 100% | Avex Inc. 100% |

(3) Status after the absorption-type company split

The absorption-type company split will not result in any changes to the names, locations, titles and names of the representatives, description of business, share capital, and accounting periods of the companies involved.

D. Change of the trade name of AAS

(1) Reason for the change

The roles of AAS as a group management company in markets in Asia and the Middle East such as China and Saudi Arabia will be terminated, and all overseas companies will be coordinated horizontally as subsidiaries directly under Avex. AAS will continue operating as an overseas subsidiary, with Southeast Asia, including Singapore, as its business area.

(2) Overview of subsidiary concerned

Trade name : Avex Asia Pte. Ltd.
Location : 8 Marina View, #43-01 Asia Square Tower 1, Singapore 018960
Representative : President Shunta Takahashi
Business : Licensing business, planning, production, and operation of concerts and events,
management and coordination of Asian companies
Share capital : 2,671 thousand Singapore dollars

(3) New trade name

Avex South East Asia Pte. Ltd.

(4) Scheduled date of the change of trade name

April 1, 2025

3 . Impact of capital increase on business results

This reorganization will be conducted between the Company's wholly owned subsidiaries and will have a negligible impact on the Company's consolidated financial results.

II. Change of Board Members of the Group companies

1 .Avex Entertainment Inc. (AEI)

• **Changes in Directors** (effective on April 1, 2025)

| New title (Main concurrent posts at Group companies) | Name | Current title (Main concurrent posts at Group companies) |
|------------------------------------------------------------|------------------|-------------------------------------------------------------|
| Executive Officers (President, Avex Live Creative Inc.) | Akihito Yamanaka | [Newly appointed] (President, Avex Live Creative Inc.) |

Reference : Executives at AEI after the changes (effective on April 1, 2025)

| | | | |
|-----------------------------|---------------------|--------------------|-----------------|
| President | Katsumi Kuroiwa | Executive Officers | Makoto Morita |
| Director and Vice President | Hisaou Wakaizumi | Executive Officers | Takamasa Hasumi |
| Director | Takeya Ino | | |
| Director | Katsunori Yoshimura | | |
| Director | Masahiko Tan | | |
| Director | Akihito Yamanaka | | |

2 . Avex Music Creative Inc. (AMC)

• **Changes in Directors** (effective on April 1, 2025)

| New title (Main concurrent posts at Group companies) | Name | Current title (Main concurrent posts at Group companies) |
|--------------------------------------------------------------------|--------------|-------------------------------------------------------------|
| Director and Vice President (Director, Avex Entertainment Inc.) | Masahiko Tan | [Newly appointed] (Director, Avex Entertainment Inc.) |

Reference: Executives at AMC after the changes (effective on April 1, 2025)

| | | | |
|-----------------------------|------------------|-------------------|------------------|
| President | Takeya Ino | Executive Officer | Yasuhiko Onda |
| Chairman | Shintaro Higuchi | Executive Officer | Nobutoshi Ono |
| Director and Vice President | Masahiko Tan | Executive Officer | Yu Koiguchi |
| | | Executive Officer | Junichiro Kawata |

3 . Avex Alliance&Partners Inc. (AAP)

• **Change of Representative Directors** (effective on April 1, 2025)

| New title (Main concurrent posts at Group companies) | Name | Current title (Main concurrent posts at Group companies) |
|---------------------------------------------------------|----------------|------------------------------------------------------------------------|
| President | Takeshi Fujita | [Newly appointed] Executive Officers, Avex Alliance & Partners Inc. |
| [Retirement] (Director, Avex Entertainment Inc.) | Masahiko Tan | President (Director, Avex Entertainment Inc.) |

Reference: Executives at AAP after the changes (effective on April 1, 2025)

| | | | |
|-----------|----------------|-------------------|-----------------|
| President | Takeshi Fujita | Executive Officer | Atsuki Ichikawa |
| | | Executive Officer | Jun Yogi |

4 . Avex Film Labels Inc. (AFL)

• **Changes in Executive Officers** (effective on April 1, 2025)

| New title (Main concurrent posts at Group companies) | Name | Current title (Main concurrent posts at Group companies) |
|---------------------------------------------------------|-------------|-------------------------------------------------------------|
| Executive Officer | Jun Tsukuda | [Newly appointed] (President, Avex Fan Marketing Inc.) |

Reference: Executives at AFL after the changes (effective on April 1, 2025)

| | | | |
|-----------|----------------|-------------------|--------------------|
| President | Nobuhiro Maeno | Executive Officer | Tsuyoshi Nishiyama |
| | | Executive Officer | Jun Tsukuda |

5 . Avex Taiwan Inc. (ATW)

• **Changes in Directors** (effective on April 1, 2025)

| New title (Main concurrent posts at Group companies) | Name | Current title (Main concurrent posts at Group companies) |
|---------------------------------------------------------|------------|-------------------------------------------------------------|
| Director (Director, Avex Entertainment Inc.) | Takeya Ino | [Newly appointed] (Director, Avex Entertainment Inc.) |

Reference: Executives at ATW after the changes (effective on April 1, 2025)

| | | | |
|-----------|-----------------|----------|----------------|
| President | Shinji Miyazaki | Director | Hajime Shibata |
| Director | Katsumi Kuroiwa | Director | Takeya Ino |

6 . Avex China Inc. (ACN)

• **Change of Board Members** (effective on April 1, 2025)

| New title (Main concurrent posts at Group companies) | Name | Current title (Main concurrent posts at Group companies) |
|-------------------------------------------------------------|------------------|-------------------------------------------------------------|
| Representative Director (President, Avex Taiwan Inc.) | Shinji Miyazaki | President (President, Avex Taiwan Inc.) |
| [Retirement] (President, Avex South East Asia Pte. Ltd.) | Shunta Takahashi | Representative Director (President, Avex Asia Pte. Ltd.) |
| Director (Director, Avex Entertainment Inc.) | Takeya Ino | [Newly appointed] (Director, Avex Entertainment Inc.) |
| Director (Director, Avex Entertainment Inc.) | Akihito Yamanaka | [Newly appointed] (President, Avex Live Creative Inc.) |

Reference: Executives at ACN after the changes (effective on April 1, 2025)

Representative Director

Shinji Miyazaki

Director
Director

Takeya Ino
Akihito Yamanaka

End