



May 8, 2025

FOR IMMEDIATE RELEASE

Company name: Avex Inc.
Representative: Katsumi Kuroiwa, Representative Director, CEO
(Securities code: 7860, TSE Prime Market)
Contact: Shinji Hayashi, Representative Director, CFO
TEL: 0570(020)050

Notice of Non-Payment of Board Members' Compensation

Avex Inc. (the "Company") hereby announces that a meeting of its Board of Directors held today resolved not to pay bonus compensation to its board members for the fiscal year ending March 31st, 2025, as follows.

Details

1. Background

The Company reported a loss in operating profit in the consolidated financial results for the fiscal year ending March 31st, 2025 (April 1, 2024 to March 31, 2025) disclosed today.

Taking this matter seriously and to clarify management responsibility, three of our representative directors who are also executive directors of the Company, have offered to forego their annual bonuses for the fiscal year ending March 31st 2025, which are institutionally provided (see "Reference: Design of Board Members' Compensation"). Based on these offers, the Nomination and Compensation Committee made a recommendation, and a meeting of the Company's Board of Directors resolved to not pay the bonus compensations.

2. Content of the Non-Payment of Compensation

Subject: Three of the Representative Directors of the Company

Content: The entirety of directors' bonuses for the fiscal year ending March 31st, 2025

Reference: Design of Board Members' Compensation

Our board members' compensation system is determined at a meeting of the Board of Directors based on the recommendations of the Nomination and Compensation Committee, which consists of three members, the chairman, an independent director, another independent director and one internal director, which allows for the inclusion of external and objective perspectives.

Based on this philosophy, the executive compensation system at our company is composed of base compensation, annual bonuses linked to the profit attributable to owner parent, restricted stock, and Performance Share Units (PSU) which have payout ratios that vary depending on the achievement of targets for operating profit and ROE for the fiscal year ending March 31st 2027.

Details of these elements are disclosed in the Company's securities report and other related documents.