September 29, 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 Change in Consolidated Subsidiary (Share Transfer) and Change in Board Members

Avex Inc. (the “Company”) hereby announces that, at a meeting of its Board of Directors held today, it resolved to transfer a portion of the shares of Virtual Avex Inc. (“VAI”) held by its consolidated subsidiary, Avex Creator Agency Inc. (“ACA”), to Keisuke Hara, a Director of VAI, and approve a change in Board Members of VAI, as detailed below. Although this matter does not meet the timely disclosure standards, we are making a voluntary disclosure and have omitted the disclosure of certain details.

Details

1. Reason for the Share Transfer

VAI launched its business as a new venture of the Company in 2018 and was established as a new company in 2021 with the aim of maximizing business in the expanding virtual entertainment market. VAI has accumulated operational expertise in the virtual entertainment domain, expanding its business scale through the horizontal deployment of this expertise, including live production for other companies’ IPs and the hosting of proprietary events.

In this context, we received an offer from Keisuke Hara, a Director of VAI, expressing his desire to pursue a unique growth strategy, including the launch of new businesses within VAI.

As the Group continuously reviews its business portfolio, and after carefully considering various options regarding VAI’s future direction, we determined that executing this transaction through a Management Buyout (MBO), in which VAI’s management acquires its own shares, would be the best approach for both parties, and therefore resolved to transfer a portion of the VAI shares to Keisuke Hara.

2. Overview of subsidiary subject to share transfer (VAI) (as of September 29, 2025)

(1)	Name	Virtual Avex Inc.
(2)	Address	1-4-1, Mita, Minato-ku, Tokyo,Japan
(3)	Title and name of representative	Shinsuke Kato, President（Note 1）
(4)	Business	Production and Management of Virtual IPs
(5)	Share capital	25 million yen
(6)	Established	August 5, 2021

(7)	Major shareholders and shareholding ratios	Avex Creator Agency Inc. 100%	
(8)	Relationship between the listed company and the subject company	Capital relationship	Avex Creator Agency Inc., a wholly owned subsidiary of the Company, holds 100% of the relevant company’s outstanding shares.
		Personnel relationship	One Director of the Company’s subsidiary serves concurrently as a director of VAI. In addition, an employee of the Company concurrently serves as an auditor of VAI. （Note 2）
		Business relationship	The Company provides various services from a management perspective and receives service fees as a consideration for them. The Company is lending funds toVAI.

（Note 1）The Representative Director is scheduled to be changed as of October 1, 2025. Please refer to “6. Change of Board Members”

（Note 2）The Company's Auditor (who is an employee of the Company) is scheduled to resign as of November 1, 2025.

3．Overview of the Transferee

(1)	Name	The name will not be disclosed due to the counterparty's request.	
(2)	Address	The address will not be disclosed due to the counterparty's request.	
(3)	Title and name of representative	Keisuke Hara, President	
(4)	Business	Asset Management	
(5)	Share capital	One million yen	
(6)	Established	September 8, 2025	
(7)	Major shareholders and shareholding ratios	Keisuke Hara 100%	
(8)	Relationship between the listed company and the relevant company	Capital relationship	Not applicable
		Personnel relationship	Not applicable
		Business relationship	Not applicable

4. Number of shares to be transferred, transfer price and the number of shares held before and after transfer

(1)	Number of shares held before the transfer	4,500 common shares (Number of voting rights: 4,500 rights) (Percentage of voting rights: 100%)
(2)	Number of shares to be transferred	3,645 common shares (Number of voting rights: 3,645 rights)
(3)	Transfer price	The transfer price will not be disclosed pursuant to the confidentiality agreement in the share transfer contract. In addition, The Company recognizes the transfer price as fair, as it was determined through negotiations with the transferee, taking into account future earnings forecasts and third-party analysis.
(4)	Number of shares held after the transfer	Common stock 855 shares (Number of voting rights: 855) (Percentage of voting rights: 19%)

5. Schedule of the Transaction

(1)	Date of resolution by the Board of Directors	September 29, 2025
(2)	Date of Execution of Share Transfer Agreement	September 29, 2025
(3)	Date of Share Transfer Completion	October 31, 2025 (plan)

6. Changes in Board Members

■Change in President（effective on October 1, 2025）

New title （Main concurrent posts at Group companies）	Name	Current title （Main concurrent posts at Group companies）
[Retirement] （President, Avex Creator Agency Inc.）	Shinsuke Kato	President （President, Avex Creator Agency Inc.）
President	Keisuke Hara	Director

Reference: Executives at VAI after the changes（effective on October 1, 2025）

President Keisuke Hara

7. Future Outlook

The impact of this share transfer on the Company's consolidated operating results for the fiscal year ending March 31, 2026, is minor. In addition, VAI will be excluded from the scope of consolidation in the third quarter of the fiscal year ending March 31, 2026.

End