



March 30, 2026

FOR IMMEDIATE RELEASE

Company name : Avex Inc.
Representative : Katsumi Kuroiwa, Representative Director, CEO
(Securities code: 7860, TSE Prime Market)
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[Updated] Notice Regarding the Establishment of Special Purpose Companies (SPCs)

Avex Inc. (“the Company”) hereby announces that its Board of Directors resolved at a meeting held today to establish special purpose companies (SPCs).

Details

1. Purpose

The Company aims to grow the Avex Group into a global company in the world music market. In March 2025, the Company reorganized and integrated its U.S. business into its wholly-owned subsidiary, Avex Music Group LLC. Under the leadership of its CEO, Brandon Silverstein, the Company has been developing a wide range of music businesses in the U.S., including music publishing, artist management, label operations, and creative studio management. In the same year, S10 Entertainment & Media LLC (Headquarters: California, U.S.; Founder & CEO: Brandon Silverstein) became a consolidated subsidiary of the Company, and we have since been striving to further expand and strengthen our music business in the U.S.

In the United States, the secondary market for music-related rights (“Music Catalogs”) by music publishers, record labels, and institutional investors, such as investment funds, is becoming increasingly active. With the global expansion of the streaming market, the value of Music Catalogs is expected to continue to increase. Under these circumstances, as a player in the music business capable of maximizing the value of rights, the Company has decided to establish special purpose companies (SPCs) in the U.S. to fully leverage the entertainment industry network we have built primarily in the U.S., with the aim of strengthening our management and operation business for Music Catalogs in the U.S. and other overseas markets.

Furthermore, as described in the “Notice Regarding the Execution of a Loan Agreement with Financial Covenants by a U.S. Consolidated Subsidiary” disclosed today, the entity acquiring the Music Catalogs plans to borrow the acquisition funds via a non-recourse loan from a local financial institution with extensive expertise in the music catalog business. This will enable the acquisition of large-scale Music Catalogs in the future by utilizing leverage while keeping interest costs to a certain level. In addition to the expectation of maximizing financial returns, this will also allow us to capture new deal opportunities for future additional acquisitions and divestitures. Through these initiatives, we will continue to strive to maximize our corporate value.

2. Overview

① Avex Catalog Fund 1 LLC

(1) Name	Avex Catalog Fund 1 LLC	
(2) Location	Delaware, U.S.A.	
(3) Representative	CEO Brandon Silverstein	
(4) Purpose of establishment	Management and operation of music-related rights	
(5) Capital	USD 6 million (Planned)	
(6) Date of establishment	March 2026 (Planned)	
(7) Relationship between the listed company and the subject company	Capital relationship	To be established as a wholly-owned subsidiary of Avex Music Group LLC, which is a wholly-owned subsidiary of the Company.
	Personnel relationship	Not applicable
	Business relationship	Not applicable
(8) Investor and Shareholding Ratio	Avex Music Group LLC (100%)	

② Avex Song Fund 1 LLC

(1) Name	Avex Song Fund 1 LLC	
(2) Location	Delaware, U.S.A.	
(3) Representative	CEO Brandon Silverstein	
(4) Purpose of establishment	Management and operation of music-related rights	
(5) Capital	USD 6 million (Planned)	
(6) Date of establishment	March 2026 (Planned)	
(7) Relationship between the listed company and the subject company	Capital relationship	To be a consolidated subsidiary of the Company
	Personnel relationship	Not applicable
	Business relationship	Not applicable
(8) Investor and Shareholding Ratio	Avex Catalog Fund 1 LLC (100%)	

3. Schedule of Investment

Date of Board of Directors' resolution	March 30, 2026
Scheduled date of investment	April 2026 (Planned)

4. Future Outlook

The impact of this investment on the Company's consolidated financial results for the fiscal year ending March 31, 2026, is minor. While the capital amount as of today is USD 6 million, it is expected to increase up to a maximum of USD 50 million depending on the status of the acquisition of Music Catalogs. If any matters requiring disclosure arise in the future, we will announce them promptly.

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