

For immediate release

Company name VECTOR INC.  
Representative Keiji Nishie,  
Chairman and Representative Director  
Securities code: 6058 (Tokyo Stock Exchange Prime Market)  
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Notice of Change in Consolidated Subsidiary (Share Transfer)

VECTOR INC. (hereafter, “VECTOR”) approved the sale of part of the shares it holds in Direct Tech, Inc. (hereafter, “Direct Tech”), a consolidated subsidiary, to nature&nature Co., Ltd. (hereafter, “nature&nature”) at a Board of Directors meeting held today, and hereby provides notice of the approval and conclusion of a share transfer agreement.

1. Reason for Share Transfer

Guided by the corporate philosophy of “being a source of ‘Good’ to improve people’s lives,” the VECTOR Group operates businesses centered on strategic PR services and has the goal of continuing to grow.

To accomplish this growth, the VECTOR Group is building an infrastructure capable of providing a broad range of marketing services in order to be a one-stop source of services required by clients. There are constant measures for upgrading and expanding services while responding quickly to changes in the business climate. All activities reflect a focus on operating as a “fast company” with comprehensive support for clients’ marketing strategies by making people aware of the attributes of our clients while achieving high levels of effectiveness and the efficient use of expenses.

Direct Tech was established as a subsidiary to provide integrated services, from development to sale of products for the company itself and other companies, and has launched multiple cosmetic brands.

nature&nature operates a business in cosmetic product development and sales, and is expanding the business by diversifying brands and distribution channels overseas as well.

VECTOR made the decision to transfer some of the shares it holds in Direct Tech to nature&nature based on its judgment that pursuing business growth with nature&nature, with its anticipated stronger business synergies, will lead to further development of Direct Tech.

2. Overview of subsidiary whose shares will be transferred (Direct Tech)

(1) Company name	Direct Tech, Inc.
(2) Address	4-15-1 Akasaka, Minato-ku, Tokyo 107-0052, Japan
(3) Name and title of representative	Yuki Mori, Representative Director
(4) Business description	D2C business, D2C brand consulting business
(5) Share capital	¥100 million
(6) Established	November 28, 2018

(7) Major shareholders and equity interest	VECTOR INC., 88.0%			
(8) Relationship between the company and VECTOR	Capital relationship	Consolidated subsidiary of VECTOR		
	Personal relationship	VECTOR has seconded three directors and one auditor to Direct Tech.		
	Transactional relationship	VECTOR and Direct Tech have a transactional relationship through conclusion of a management services contract.		
(9) Results of operations and financial position over the past three years				
	Fiscal year	FY 2/2021	FY 2/2022	FY 2/2023
Net assets		¥228 million	¥241 million	¥203 million
Total assets		¥578 million	¥977 million	¥895 million
Net assets per share		¥49,590.99	¥52,445.37	¥39,473.17
Net sales*		¥1,373 million	¥1,358 million	¥1,465 million
Operating profit		¥62 million	¥22 million	¥73 million
Ordinary income		¥69 million	¥23 million	¥60 million
Profit		¥47 million	¥13 million	-¥66 million
Earnings per share		¥10,337.41	¥2,854.38	-¥12,972.16
Dividends per share		¥0	¥0	¥0

\* The Accounting Standard for Revenue Recognition (ASBJ Statement No. 29, revised March 31, 2020) has been applied from the fiscal year ended February 28, 2023.

### 3. Overview of counterparty to the share transfer

(1) Company name	nature&nature Co., Ltd.	
(2) Address	4th floor, 735, Yeongdong-daero, Gangnam-gu, Seoul, Republic of Korea	
(3) Name and title of representative	Lee Hong, Representative Director	
(4) Business description	Cosmetics development and sales	
(5) Relationship between the company and VECTOR	Capital relationship	Not applicable.
	Personal relationship	Not applicable.
	Transactional relationship	Not applicable.

### 4. Number of shares, transfer price, and shares held before and after transfer

(1) Number of shares held before transfer	4,540 shares (88.0% of voting rights)
(2) Number of shares to be transferred	3,770 shares
(3) Transfer price	¥354 million
(4) Number of shares held after transfer	770 shares (14.9% of voting rights)

### 5. Timetable

(1) Transfer agreement conclusion date	November 7, 2023
(2) Scheduled share transfer date	November 21, 2023

6. Extraordinary income to be recorded

VECTOR plans to record ¥130 million (estimate) in extraordinary income as gain on sale of shares of subsidiaries and affiliates in the third quarter of the fiscal year ending February 29, 2024.

7. Outlook

Direct Tech will be removed from consolidation upon transfer of the shares.

VECTOR is currently examining the impact this will have on consolidated performance in the fiscal year ending February 29, 2024, and will promptly provide notice of information to be disclosed, once determined.