

TO OUR SHAREHOLDERS

I would like to express my appreciation for your continued support and understanding of the Company.

In July this year, istyle celebrated its 25th anniversary. Let me take this opportunity to express my heartfelt thanks to all of you for your support, which has enabled us to come this far. The 25th business term (the fiscal year ended June 30, 2024) saw the fruition of encounters between our brands and the users we have cherished throughout our history.

We opened *@cosme OSAKA*, our second large-scale flagship store, in September last year. This paved the way for the spread of new purchasing experiences and the *@cosme* worldview among our users, many of whom visited not only our physical stores but also our E-commerce site. We also saw further growth in marketing solution, a B2B service that valorizes the encounters between users, products and brands through forums integrating online and offline sales, and made further progress towards platform synergies.

As a result, we recorded our highest-ever level of consolidated net sales. Operating income, too, recovered to the second highest level yet. Our two large-scale flagship stores alone generated over 10 billion yen in annual net sales, and I feel strongly that our business model, conveying the *@cosme* worldview, has now become firmly established.

In the 26th business term, we will expand into new domains outside cosmetics to generate further value from the trust we have built up throughout our history. With the rise in interest in well-being and health awareness in recent years, an increasing number of consumers aspire not only to be beautiful but to keep living in their own style, always. With the extension of beauty age and healthy lifespan, I feel a sure sense of the expanding possibilities that we can offer across the entire beauty market. Our preparations are at last complete, including the cultivation of encounters between users and brands and the enhancement of our organizational structure and equity capital, and we will make this fiscal year our first step towards this new future.

With the combined strength of all our employees, we will strive with all our might to achieve further growth and development.

I greatly appreciate your ongoing support.

September 2024

Tetsuro Yoshimatsu, Chairperson and Chief Executive Officer

Note: This document has been translated from a part of the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail. The Company assumes no responsibility for this translation or for direct, indirect or any other forms of damages arising from the translation.

September 4, 2024
(Start date of measures for electronic provision: September 2, 2024)

To Shareholders with Voting Rights:

istyle, Inc.
Tetsuro Yoshimatsu, Chairperson and CEO
(Stock Exchange Code: 3660)
Kei Sugawara, Vice Chairperson and CFO

NOTICE OF THE 25TH ANNUAL GENERAL MEETING OF SHAREHOLDERS

Dear Shareholders:

We would like to express our appreciation for your continued support and patronage.

You are cordially notified that the 25th Annual General Meeting of Shareholders of istyle Inc. (the “Company”) will be held for the purposes as described below.

In convening this General Meeting of Shareholders, we have taken measures for the electronic provision to disclose information including the Reference Documents for the General Meeting of Shareholders (the matters subject to electronic provision), and posted the matters subject to electronic provision on the Company’s website on the Internet.

The Company’s website: <https://www.istyle.co.jp/en/ir/stock/meeting/>

The matters are also posted on the following website on the Internet.

The website of the Tokyo Stock Exchange:

<https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show>

Please access the Tokyo Stock Exchange website shown above, enter the Company’s name or stock exchange code to search, then click on “Basic information” then “Documents for public inspection/PR information” to view the matters.

For this General Meeting of Shareholders, you can exercise your voting rights via the Internet or in writing. Please review the Reference Documents for the General Meeting of Shareholders and exercise your voting rights by 6:00 p.m. on Tuesday, September 24, 2024, Japan time.

The meeting will be held as a “Hybrid Virtual General Meeting of Shareholders” (participatory) whereby shareholders can watch the General Meeting of Shareholders via the Internet. We will make every effort to ensure that shareholders attending the meeting are not shown in the livestream but please note that there may be cases when shareholders unavoidably appear. Additionally, you can also watch a video of the meeting, which will be posted on the viewing website following the meeting’s conclusion. Please refer to *NOTICE OF THE 25TH ANNUAL GENERAL MEETING OF SHAREHOLDERS* for details on how to view.

- 1. Date and Time:** Wednesday, September 25, 2024 at 10:00 a.m. Japan time (Reception opens at 9:30 a.m.)
- 2. Place:** Reception: Dedicated reception on the 1st floor of ARK Mori Building
Venue: 37F ARK Mori Building (Club room A+B in Ark Hills Club)
1-12-32, Akasaka, Minato-ku, Tokyo, Japan
- 3. Meeting Agenda:**
 - Matters to be reported:** The Business Report, Non-consolidated Financial Statements, Consolidated Financial Statements for the Company’s 25th business term (July 1, 2023 - June 30, 2024) and results of audits by the Independent Auditor and the Board of Auditors of the Consolidated Financial Statements
 - Proposal to be resolved:**
 - Proposal:** Election of 7 Directors

- 4. Guide for Shareholders when Voting**
- (1) If you exercise your voting rights redundantly, both by the Voting Rights Exercise Form and via the Internet, your exercise of voting rights via the Internet shall be deemed to be valid.
 - (2) If you exercise your voting rights via the Internet more than once, your final vote shall be deemed to be valid.
 - (3) If you do not indicate your vote on a proposal on the Voting Rights Exercise Form, it will be treated as a vote in favor of the proposal.

Any amendments to the matters subject to electronic provision will be posted on each website where the matters are provided.

Reception Guidance and

Instructions for Viewing this General Meeting of Shareholders via the Internet

- Reception guidance for the General Meeting of Shareholders
 - Please proceed to the dedicated reception area on the 1st floor of ARK Mori Building, where the meeting will be held. At the reception, shareholders will be provided with a certificate of admission to the meeting venue upon submitting their Voting Rights Exercise Form and filling out their name and address.
 - We will refrain from providing beverages.
 - Where it becomes necessary to change the format of the meeting for unavoidable reasons, notice will be given via the Company's website. Please check the Company's website for the latest information.
URL: <https://www.istyle.co.jp/en/ir/stock/meeting/>

Reference Documents for the General Meeting of Shareholders

References

In the event that the Proposals are approved, the composition of the Board of Directors and the Board of Auditors, as well as the expertise of each officer is as follows.

The below table does not express all of the knowledge and experience held by each Director candidate and Auditor.

		Present position	Among the knowledge and experience held by each candidate, the Company has particular expectations for the below								Attributes	
			Corporate management/ management strategy	IT	Cosmetics	Marketing	Retail/ distribution	International business	Finance	Accounting/ tax affairs	Independence (Outside only)	Male (★) Female (☆)
Director candidates	Tetsuro Yoshimatsu	Chairperson and CEO	○	○	○	○	○				—	★
	Hajime Endo	Representative Director and COO	○	○	○	○	○	○			—	★
	Kei Sugawara	Vice Chairperson and CFO	○	○	○	○		○	○	○	—	★
	Meyumi Yamada	Director	○	○	○	○					—	☆
	Michimasa Naka	Director (Outside)	○					○	○		○	★
	Shinsuke Usami	Director (Outside)	○	○		○			○		○	★
	Hikari Kanokogi	—	○			○	○	○			○	☆
Auditors	Hitoshi Hara	Auditor (Outside)							○	○	○	★
	Kenji Miyako	Auditor (Outside)							○	○	○	★
	Junko Kotakemori	Auditor (Outside)							○	○	○	☆

Independence Criteria for Outside Officers

The Company has established the following criteria to determine the independence of Outside Directors and Outside Auditors (hereinafter collectively referred to as “Outside Officers”). In selecting candidates for Outside Officers, we select candidates who satisfy the Company’s “Independence Criteria for Outside Officers” as well as the standards stipulated by the Companies Act and the Tokyo Stock Exchange.

In principle, the Company designates Independent Outside Officers from persons who do not meet any of the following items.

- (1) A person who holds the Company to be a major business partner (refers to a party that received payments from the Company in an amount of 2% or more of the party’s consolidated net sales in the most recent fiscal year), or a business executor thereof.
- (2) A person who is a major business partner of the Company (refers to a party that made payments to the Group that accounted for 2% or more of the Company’s consolidated net sales in the most recent fiscal year, or balance of loans to the Group that accounted for 2% or more of the Company’s consolidated total assets), or a business executor thereof.
- (3) A consultant, accounting expert or legal expert who receives large amounts of money or other assets, excluding Director compensation, from the Company (in the case that the party receiving said assets is an organization such as a corporation or association, then persons who belong to the organization in question).


(Notes) 1. A business executor is defined in the Regulations for Enforcement of the Companies Act, and includes not only executive Directors, but employees as well.

2. A large amount refers to an amount of ¥10 million or more per fiscal year for an individual, and an amount of 2% or more of total income for an organization (corporation, association, etc.).



Proposal: Election of 7 Directors



The terms of office of 6 current Directors will expire at the conclusion of the 25th Annual General Meeting of Shareholders. Accordingly, we propose the election of 7 Directors (including 3 Outside Directors), increasing the number of Outside Directors by 1 for the expansion of the Company’s business and management functions.

The candidates are as follows:

No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions
1	 <p>Tetsuro Yoshimatsu (August 13, 1972) [Reappointment]</p> <p>Number of shares of the Company held: 4,604,569 shares</p> <p>Period in office: 25 years and 2 months *As of the conclusion of this General Meeting of Shareholders</p>	<p>April 1996 Joined Andersen Consulting (currently Accenture Japan Ltd.) July 1999 Founded the Company; President and Chief Executive Officer, the Company June 2016 Outside Director, UT Group Co., Ltd. October 2018 Outside Director, PLANET, INC. (to present) September 2022 Chairperson and CEO, the Company (to present)</p> <p>[Reasons for appointment as a candidate for Director] Mr. Tetsuro Yoshimatsu has contributed as the representative of the Company since its founding and has led management for 25 years. He currently upholds the mission “To make people happy while updating the world of Beauty” and drives the Group with the aim of further business development as Chairperson and CEO. Having concluded that he is qualified to achieve further growth for the Company group and to realize the Company’s corporate philosophy, we propose his reelection as a Director.</p>

No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions
2	 <p>Hajime Endo (September 10, 1973) [Reappointment]</p> <p>Number of shares of the Company held: 2,228 shares</p> <p>Period in office: 2 year and 0 months *As of the conclusion of this General Meeting of Shareholders</p>	<p>April 1996 Joined YANASE & CO., LTD. May 1998 Joined Funai Consulting Inc.</p> <p>February 2003 Joined Taiyo System Technology Co., Ltd. (currently DIGITAL VORN CO., LTD.) March 2005 Joined TASHIRO CO., LTD. January 2007 Director, cosme next Co. Ltd. (currently istyle retail Inc.) June 2012 Director, Cosme.com Inc. (currently istyle retail Inc.) July 2012 Joined the Company July 2014 Representative Director, Cosme.com Inc. (currently istyle retail Inc.) July 2014 Representative Director, cosme next Co. Ltd. (currently istyle retail Inc.) (to present) April 2016 Director, istyle China Corporation Limited (currently istyle Global (Hong Kong) Co., Limited) (to present) September 2018 Director, istyle trading Inc. (to present) July 2020 Director, istyle Retail (Hong Kong) Co., Limited (to present) September 2022 Representative Director and COO, the Company (to present) January 2023 Director, istyle career Inc. (to present)</p> <p>[Reasons for appointment as a candidate for Director] After working for Funai Consulting Inc. and TASHIRO CO., LTD., Mr. Hajime Endo joined cosme next Co. Ltd.* in January 2007 at the time of establishment as a Director, partaking in the istyle Group. In July 2014, he was appointed as Representative Director of cosme next Co. Ltd. and led the Group as an executive in charge of the retail divisions, which operate retail and E-commerce businesses in Japan and overseas. Since September 2022, he has served as Representative Director and COO of the Company, contributing to the growth of the Group. In light of these achievements, we propose his election as a Director.</p> <p>*cosme next Co. Ltd. merged with Cosme.com Inc., which operates E-commerce businesses, on July 1, 2021 and changed its corporate name to istyle retail Inc.</p>
3	 <p>Kei Sugawara (August 13, 1969) [Reappointment]</p> <p>Number of shares of the Company held: 290,675 shares</p> <p>Period in office: 23 years and 0 months *As of the conclusion of this General Meeting of Shareholders</p>	<p>May 1996 Joined Andersen Consulting (currently Accenture Japan Ltd.) January 2000 Joined Arthur D. Little Japan, Inc. September 2001 Part-time Director, the Company September 2004 Director, the Company February 2008 Representative Director, Cosme.com Inc. (currently istyle retail Inc.) September 2012 Director and CFO, the Company September 2015 Representative Director, istyle Global (Singapore) Pte. Limited (to present) June 2016 Director, iSGS Investment Works, Inc. (to present) October 2016 Director, istyle Retail (Hong Kong) Co., Limited (to present) June 2018 Outside Director, Fringe81 Co., Ltd. (currently Unipos Inc.) (to present) January 2020 Chairman and President, istyle China Co., Limited March 2021 Outside Director, Open8 Inc. (to present) March 2022 Director, Glowdayz, Inc. September 2022 Vice Chairperson and CFO, the Company (to present) July 2023 Outside Director, GENEROSITY Inc. (to present) June 2024 CEO, Glowdayz, Inc. (to present)</p> <p>[Reasons for appointment as a candidate for Director] Mr. Kei Sugawara has contributed to the Company's business in a wide range of fields since assuming office as the Company's Director in September 2001. In 2012, he led a drive to have the Company's shares listed on the stock exchange in his capacity as Chief Financial Officer (CFO), and has also demonstrated his management skill. He currently takes a leadership in the Group as Vice Chairperson and CFO. In light of these achievements, we propose his reelection as a Director.</p>

No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions
4	 <p>Meyumi Yamada (August 30, 1972) [Reappointment]</p> <p>Number of shares of the Company held: 715,200 shares</p> <p>Period in office: 25 years and 2 months *As of the conclusion of this General Meeting of Shareholders</p>	<p>April 1995 Joined KOEI KOGYO Co., Ltd. May 1997 Joined Kiss Me Cosmetics co., Ltd. (currently ISEHAN co., Ltd.) July 1999 Founded the Company; Representative Director, the Company December 2009 Director, the Company (to present) May 2012 Representative Director, Cyberstar Inc. (merged into the Company as of July 1, 2017) *¹ September 2015 Director, MEDIA GLOBE CO., LTD. (to present) March 2016 Representative Director, IS Partners Inc. June 2017 Outside Director, SEINO HOLDINGS CO., LTD. (to present) June 2017 Outside Director, JAPAN POST INSURANCE Co., Ltd. June 2021 Outside Director, Sompo Holdings, Inc. (to present) May 2022 Outside Director, Seven & i Holdings Co., Ltd. (to present)</p> <p>*1. Cyberstar Inc. changed its corporate name to istyle Beauty Solutions Inc. effective on August 1, 2014. *2. Ms. Meyumi Yamada is a candidate for non-executive Director.</p> <p>[Reasons for appointment as a candidate for Director] Ms. Meyumi Yamada co-founded the Company together with Mr. Tetsuro Yoshimatsu, and dedicated herself to launching @cosme, the Company's mainstay service, raising it to be Japan's largest comprehensive site for cosmetics and beauty. She has contributed to the Company's organizational development while creating systems and a corporate culture that enables women to play an active role and by being a proactive role model. In light of these achievements, and in consideration of the leadership role for women she is expected to fulfill going forward, we propose her reelection as a Director.</p>
5	 <p>Michimasa Naka (August 14, 1964) [Reappointment] [Outside Director] [Independent Officer]</p> <p>Number of shares of the Company held: 41,214 shares</p> <p>Period in office: 10 years and 0 months *As of the conclusion of this General Meeting of Shareholders</p>	<p>April 1989 Joined Salomon Brothers Asia Limited October 2009 Director, Citigroup Global Markets Japan Inc. December 2009 Executive Vice President, Citigroup Global Markets Japan Inc. November 2010 Representative Director and President, StormHarbour Japan Ltd. March 2011 Auditor, GLM. Co., Ltd. July 2014 Director, Asuka Asset Management Co., Ltd. July 2014 Director, eWell Co., Ltd. September 2014 Director, the Company (to present) October 2014 Director and Chairman, StormHarbour Japan Ltd. November 2014 Director, GENIEE, Inc. July 2016 Representative Director, Boardwalk Capital Co., Ltd. (to present) June 2017 Representative Director, Accelerator Inc. (to present) March 2019 Director, Vision Inc. (to present) May 2020 Director, VECTOR, INC. (to present) May 2021 Outside Director, Houyou.inc (currently Houyou inc.) (to present) October 2022 Outside Director, HR Cloud, Co., Ltd. (to present)</p> <p>[Reasons for appointment as a candidate for Director and expected roles] Mr. Michimasa Naka has a global track record in the field of finance. At Boardwalk Capital Co., Ltd., which he established on his own, he has left his mark in support of startup companies. We propose his reelection as an Outside Director in order that he may utilize his extensive business experience as a business manager for the management of the Group. Based on his abovementioned extensive business experience and broad knowledge, we expect that he can offer appropriate advice on the Company's business expansion and overall management as an Outside Director.</p>

No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions
6	 <p>Shinsuke Usami (October 12, 1972) [Reappointment] [Outside Director] [Independent Officer]</p> <p>Number of shares of the Company held: 0 shares</p> <p>Period in office: 3 years and 0 months *As of the conclusion of this General Meeting of Shareholders</p>	<p>April 1996 Joined Tohmatsu Consulting Co., Ltd. (currently Deloitte Tohmatsu Consulting LLC)</p> <p>September 1999 Founded axiv.com (currently CARTA HOLDINGS, INC.); Director and COO, axiv.com</p> <p>September 2002 Representative Director and CEO, axiv.com (currently CARTA HOLDINGS, INC.)</p> <p>December 2005 Director, CyberAgent, Inc.</p> <p>October 2018 Representative Director, VOYAGE GROUP, Inc. Split Preparatory Company (currently CARTA HOLDINGS, INC.)</p> <p>January 2019 Chief Executive Officer, CARTA HOLDINGS, INC.</p> <p>January 2019 Director, cyber communications inc. (currently CARTA COMMUNICATIONS Inc.)</p> <p>July 2019 Outside Director, Fringe81 Co., Ltd. (currently Unipos Inc.)</p> <p>January 2020 DJN Board, Dentsu Group Inc.</p> <p>September 2021 Director, the Company (to present)</p> <p>January 2023 DJ Advisory Board, Dentsu Group Inc.</p> <p>January 2023 Representative Director, Japan Internet Point Conference (to present)</p> <p>July 2023 Chairperson, CARTA COMMUNICATIONS Inc. (to present)</p> <p>October 2023 Chairman of the Board, CARTA MARKETING FIRM Inc. (to present)</p> <p>January 2024 President and Representative Director, CARTA HOLDINGS, INC. (to present)</p> <p>[Reasons for appointment as a candidate for Director and expected roles] Mr. Shinsuke Usami has an extensive track record in the field of Internet advertising. In addition to listing the company he established on his own, axiv.com (currently CARTA HOLDINGS, INC.), he has contributed to business expansion as said company's Representative Director. We propose his reelection as an Outside Director in order that he may utilize his extensive business experience as a business manager for the management of the Group. Based on his abovementioned extensive business experience and broad knowledge, we expect that he can offer appropriate advice on the Company's business expansion and overall management as an Outside Director.</p>
7	 <p>Hikari Kanokogi (June 11, 1964) [Newly appointed] [Outside Director] [Independent Officer]</p> <p>Number of shares of the Company held: 0 shares</p>	<p>June 1989 Joined Booz Allen Hamilton Japan Co., Ltd. (currently PwC Consulting LLC)</p> <p>August 1995 Booz Allen & Hamilton Inc. (currently Booz Allen Hamilton Inc.) Chicago office Consumer Practice Division</p> <p>January 1999 Director, Heinz Japan Ltd.</p> <p>August 2003 Vice President, Mid-East Region, LVJ Group Co., Ltd. (currently Louis Vuitton Japan K.K.)</p> <p>October 2008 Director, adidas Japan Co., Ltd.</p> <p>July 2012 Representative Director, G-Star International Co., Ltd.</p> <p>July 2012 Representative Director, G-Star Retail Japan Co., Ltd.</p> <p>July 2021 Honorary Advisor, G-Star International Co., Ltd.</p> <p>July 2021 Honorary Advisor, G-Star Retail Japan Co., Ltd.</p> <p>July 2023 Outside Director, Graniph Inc. (to present)</p> <p>[Reasons for appointment as a candidate for Director and expected roles] Ms. Hikari Kanokogi has a global track record in the fields of overall management, retail, brand business, and human resources organization. She has achieved results with extensive practical experience related to business promotion and expansion, including experience as a representative director and president. We propose her election as an Outside Director in order that she may utilize her extensive practical experience for the management of the Group. Based on her abovementioned extensive managerial experience and broad knowledge, we expect that she can offer appropriate advice on the Company's business expansion and overall management as an Outside Director.</p>

(Notes)

1. No conflicts of interest exist between the Company and any of the above candidates.
2. The number of shares of the Company held by each candidate is stated as the number of shares substantially held, including interest in the Directors' Shareholding Association of the Company.
3. Sompo Japan Insurance Inc. ("Sompo Japan"), a subsidiary of Sompo Holdings, Inc. ("Sompo Holdings"), where Ms. Meyumi Yamada has served as Outside Director from June 2021 to the present, was issued with administrative sanctions by the Financial Services Agency on December 26, 2023, based on the Insurance Business Act, regarding issues including the inappropriate adjustment of insurance premiums. Moreover, Sompo Holdings and Sompo Japan were issued with administrative sanctions by the Financial Services Agency on January 25, 2024, based on the Insurance Business Act, regarding issues related to their response to fraudulent automobile insurance claims by Big Motor Co., Ltd., BM Holdings Co., Ltd., and BM Hanaten Co., Ltd. Ms. Yamada consistently made statements from the standpoint of compliance with laws and regulations and customer protection. After the revelation of these incidents, she performed her responsibilities as Director by making proposals for effective group governance.
4. Messrs. Michimasa Naka and Shinsuke Usami and Ms. Hikari Kanokogi are candidates to become Outside Directors.
5. Messrs. Michimasa Naka and Shinsuke Usami and Ms. Hikari Kanokogi meet the requirements for Independent Officers prescribed by the Tokyo Stock Exchange, as well as the Company's "Independence Criteria for Outside Officers," and there is no risk of conflict of interest with general shareholders. The Company has therefore registered them as Independent Officers with the Tokyo Stock Exchange. In addition, Mr. Usami is the Chairperson of CARTA COMMUNICATIONS Inc., which is a major business partner of the Company, but as he is not a business executor of that company, we believe that he meets the Company's "Independence Criteria for Outside Officers."
6. Messrs. Michimasa Naka and Shinsuke Usami currently serve as Outside Directors of the Company and their terms of office as Outside Directors will reach ten years for Mr. Naka and three years for Mr. Usami at the conclusion of this Annual General Meeting of Shareholders.
7. Liability limitation agreement
The Company has entered into agreements with Ms. Meyumi Yamada and Messrs. Michimasa Naka and Shinsuke Usami to limit their liabilities for damages pursuant to the provisions of Article 423, Paragraph 1 of the Companies Act. The agreements limit the amount of their liabilities for damages to the minimum liability amount provided under Article 425, Paragraph 1 of the same Act. If the reelections of Ms. Yamada and Messrs. Naka and Usami are approved as proposed, the Company plans to continue the same liability limitation agreement with them. Moreover, if the election of Ms. Hikari Kanokogi is approved as proposed, the Company plans to enter into a similar liability limitation agreement with her.
8. The Company has entered into a directors' and officers' liability insurance contract (D&O insurance contract) with an insurance company and intends to renew said contract in April 2025. The insurance contract covers legal damages and litigation expenses, etc. incurred by the insured individual as the result of unjust acts committed by the insured based on his or her position, and the Company will bear the entire premium for all insured parties. If each candidate is elected, each candidate will be included in the contract as an insured party.