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(Stock Exchange Code 3660)
September 7, 2020

To Shareholders with Voting Rights:

Tetsuro Yoshimatsu
President and Chief Executive Officer
istyle Inc.
1-12-32, Akasaka, Minato-ku, Tokyo, Japan

NOTICE OF THE 21ST 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 21st Annual General Meeting of Shareholders of istyle Inc. (the “Company”) will be held for the purposes as described below.

After careful consideration of the method for holding the General Meeting of Shareholders in light of the ongoing spread of the novel coronavirus (COVID-19), we have decided to hold the meeting at a different venue, while thoroughly implementing measures to prevent the spread of the infection.

However, given the utmost importance we place on the safety of our shareholders, officers and employees, and in view of requests from the national and local governments for people to stay home, we strongly request that shareholders refrain from attending the meeting, with the highest priority being on preventing the spread of infection.

You can exercise your voting rights in writing or via the Internet. Please review the Reference Documents for the General Meeting of Shareholders in the following pages and exercise your voting rights by 6:00 p.m. on Thursday, September 24, 2020, Japan time.

You can also watch a video of the meeting, which will be posted on the Company’s website following the meeting’s conclusion. Please refer to Page 3 on how to view the video.

- 1. Date and Time:** Friday, September 25, 2020 at 10:00 a.m. Japan time
- 2. Place:**
Reception: Dedicated reception on the 1st floor of ARK Mori Building
Venue: 34F ARK Mori Building (Conference room of istyle Headquarters)
1-12-32, Akasaka, Minato-ku, Tokyo, Japan
(Please note that the venue differs from the previous year.)
- 3. Meeting Agenda:**
Matters to be reported: The Business Report, Non-consolidated Financial Statements, Consolidated Financial Statements for the Company’s 21st business term (July 1, 2019 - June 30, 2020) and results of audits by the Independent Auditor and the Board of Auditors of the Consolidated Financial Statements
Proposals to be resolved:
Proposal 1: Partial Amendments to the Articles of Incorporation
Proposal 2: Election of 5 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.

Any amendments to the Reference Documents for the General Meeting of Shareholders, Business Report, Non-consolidated Financial Statements, and Consolidated Financial Statements will be posted on the Company’s website (<https://www.istyle.co.jp/>).

Reception Guidance and COVID-19 Infection Prevention Measures

■ 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.

■ COVID-19 Infection Prevention Measures

- At the dedicated reception area on the first floor, shareholders will be required to use sanitizers, have their temperatures checked, and ensure that they are wearing a mask. Anyone with a fever of 37.5 degrees Celsius or higher, who is unwell (coughing frequently, etc.) or is not wearing a mask may be denied entry.
- The number of seats will be significantly reduced to ensure space between seats. In the event that there are not enough seats, you may be denied entry to the venue.
- All of the Company's officers and employees attending the meeting will wear a mask.
- Beverages will not be provided.
- The above measures are subject to change depending on the state of the infection and the government's response policies until the day of the meeting. Changes to the format of the meeting may be implemented depending on the situation. Please check the Company's website for the latest information.

URL: <https://www.istyle.co.jp/en/ir/stock/meeting/>

Please note that a video of the meeting will promptly be posted on the abovementioned website following the meeting's conclusion, and will be available for viewing for one month. Please enter the password provided in *NOTICE OF THE 21ST ANNUAL GENERAL MEETING OF SHAREHOLDERS*.

Reference Documents for the General Meeting of Shareholders

Proposals and References

Proposal 1: Partial Amendments to the Articles of Incorporation

1. Reasons for proposal:

In order to clarify the Company's lines of business in accordance with the current state of the Company and its subsidiaries and to allow the Company to respond to the future development of the Company's business and the diversification of its lines of business, the Company proposes that the business purposes of the Company be added to Article 2 (Purpose) of the current Articles of Incorporation.

2. Details of the amendments

The details of the amendments are as follows:

(Amended parts are underlined.)

Current Articles of Incorporation	Proposed Amendments
Article 1	Article 1
(Omitted)	(Unchanged)
(Purpose)	(Purpose)
Article 2. The purpose of the Company shall be to engage in the following businesses:	Article 2. The purpose of the Company shall be to engage in the following businesses:
(1) - (2) (Omitted)	(1) - (2) (Unchanged)
(3) <u>Development</u> of computer software	(3) <u>Planning, development, sales, and maintenance of computer software</u>
(4) - (14) (Omitted)	(4) - (14) (Unchanged)
(Newly established)	<u>(15) Investment in venture business and management consulting</u>
(Newly established)	<u>(16) Investment in venture capital</u>
(Newly established)	<u>(17) Establishment and operation of investment funds and foundation funds, etc.</u>
(Newly established)	<u>(18) Investment-related surveys, research and consulting, and mediation and arrangement services for investment in corporate entities</u>
(Newly established)	<u>(19) Business related to control or management of business activities conducted by subsidiaries in which the Company holds shares or ownership interests, and other business related to Group operations</u>
<u>(15) Any and all other activities ancillary to each of the above</u>	<u>(20) Any and all other activities ancillary to each of the above</u>

References

In the event that Proposal 2 is 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	Representative Director and CEO	○	○	○	○	○				—	★
	Kei Sugawara	Director and CFO	○	○	○	○		○	○	○	—	★
	Meyumi Yamada	Director	○	○	○	○					—	☆
	Michimasa Naka	Director (Outside)	○					○	○		○	★
	Yasukane Matsumoto	Director (Outside)	○	○		○	○				○	★
Auditor	Hitoshi Hara	Auditor (Outside)							○	○	○	★
	Kenji Miyako	Auditor (Outside)								○	○	★
	Akiko Ito	Auditor (Outside)								○	○	☆

Proposal 2: Election of 5 Directors

The terms of office of 5 current Directors will expire at the conclusion of the 21st Annual General Meeting of Shareholders. Accordingly, the election of 5 Directors (including 2 Outside Directors) is proposed.

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) [Reappointed]</p> <p>Number of shares of the Company held: 7,344,105 shares</p> <p>Period in office: 21 years and 2 months *As of the conclusion of this General Meeting of Shareholders</p>	<p>April 1996 July 1999 February 2008 May 2012 August 2012 September 2014 December 2014 July 2015 June 2016 September 2016 July 2018 October 2018 April 2019 April 2019 April 2019 July 2019 July 2019 July 2019</p> <p>Joined Andersen Consulting (currently Accenture Japan Ltd.) Founded the Company; President and Chief Executive Officer, the Company (to present) Director, cosme next Co. Ltd. (to present) Representative Director, istyle Global (Hong Kong) Co., Limited (currently istyle China Corporation Limited) Director, istyle Global (Singapore) Pte. Limited (to present) Chairman, istyle China Co., Limited Representative Director, istyle trading Inc. Director, istyle China Co., Limited (to present) Outside Director, UT Group Co., Ltd. (to present) Director, Eat Smart Inc. (to present) Representative Director, istyle career Inc. Outside Director, PLANET, INC. (to present) Representative Director, IS Monozukuri Preparatory Company, Inc. (to present) Representative Director, IS Creative Agency Preparatory Company, Inc. (currently Dot & Space Inc.) Representative Director, IS Talent Management Preparatory Company, Inc. (to present) Director, istyle career Inc. (to present) Representative Director, iMakers Inc. (merged into istyle trading Inc. as of April 1, 2020) Director, Dot & Space Inc. (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 21 years. He currently upholds the Company's mission to "Become the world's top company representing the intersection of Beauty and IT" and drives the Company group with the aim of further business development. 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>Kei Sugawara (August 13, 1969) [Reappointed]</p> <p>Number of shares of the Company held: 516,847 shares</p> <p>Period in office: 19 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.)</p> <p>January 2000 Joined Arthur D. Little Japan, Inc.</p> <p>September 2001 Director, the Company (to present)</p> <p>February 2008 Representative Director, Cosme.com Inc.</p> <p>May 2012 Representative Director, istyle Global (Hong Kong) Co., Limited (currently istyle China Corporation Limited)</p> <p>November 2014 Representative Director, istyle capital Inc. (merged into the Company as of April 1, 2020)</p> <p>July 2015 Director, istyle trading Inc. (to present)</p> <p>September 2015 Representative Director, istyle Global (Singapore) Pte. Limited (to present)</p> <p>June 2016 Director, iSGS Investment Works, Inc. (to present)</p> <p>October 2016 Director, istyle Retail (Hong Kong) Co., Limited (to present)</p> <p>March 2017 Director, Hermo Creative(M)Sdn. Bhd. (to present)</p> <p>July 2017 Director, i-TRUE Communications Inc. (to present)</p> <p>July 2017 Representative Director, istyle USA, Inc. (to present)</p> <p>July 2017 Representative Director, MUA Inc. (to present)</p> <p>April 2018 Director, istyle Retail (Thailand) Co., Limited (to present)</p> <p>June 2018 Outside Director, Fringe81 Co., Ltd. (to present)</p> <p>June 2018 Outside Director, tsumug Inc. (to present)</p> <p>January 2020 Representative Director, istyle Global (Hong Kong) Co., Limited (currently istyle China Corporation Limited) (to present)</p> <p>January 2020 Chairman and President, istyle China Co., Limited (to present)</p> <p>July 2020 Vice Chairperson, Corporate Management Committee, Japan Association of Corporate Executives 2020 (to present)</p>	<p>[Reasons for appointment as a candidate for Director]</p> <p>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 is currently responsible for the Company's corporate and global divisions and takes a leadership in the Company's group. In light of these achievements, we propose his reelection as a Director.</p>
3	 <p>Meyumi Yamada (August 30, 1972) [Reappointed]</p> <p>Number of shares of the Company held: 947,049 shares</p> <p>Period in office: 21 years and 2 months *As of the conclusion of this General Meeting of Shareholders</p>	<p>April 1995 Joined KOEI KOGYO Co., Ltd.</p> <p>May 1997 Joined Kiss Me Cosmetics co., Ltd. (currently ISEHAN co., Ltd.)</p> <p>July 1999 Founded the Company; Representative Director, the Company</p> <p>December 2009 Director, the Company (to present)</p> <p>May 2012 Representative Director, Cyberstar Inc. (merged into the Company as of July 1, 2017) *</p> <p>September 2015 Director, MEDIA GLOBE CO., LTD. (to present)</p> <p>March 2016 Representative Director, IS Partners Inc.</p> <p>June 2017 Outside Director, SEINO HOLDINGS CO., LTD. (to present)</p> <p>June 2017 Outside Director, JAPAN POST INSURANCE Co., Ltd. (to present)</p> <p>October 2019 Director, Tsuzuki Educational Institute (to present)</p> <p>November 2019 Director, IS Partners Inc. (to present)</p> <p>* Cyberstar Inc. changed its corporate name to istyle Beauty Solutions Inc. effective on August 1, 2014.</p>	<p>[Reasons for appointment as a candidate for Director]</p> <p>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>

No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions
4	 <p>Michimasa Naka (August 14, 1964) [Reappointed] [Outside Director] [Independent Officer]</p> <p>Number of shares of the Company held: 17,705 shares</p> <p>Period in office: 6 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. (to present) July 2015 Director, Prevent Small Amount Short Term Insurance Inc. (to present) 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)</p> <p>[Reasons for appointment as a candidate for Director] 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. Based on his extensive experience and broad knowledge as a business manager, we have concluded that he can offer appropriate advice on the Company's business expansion and overall management as an Outside Director. We therefore propose his reelection as an Outside Director.</p>
5	 <p>Yasukane Matsumoto (October 10, 1984) [Reappointed] [Outside Director] [Independent Officer]</p> <p>Number of shares of the Company held: 6,237 shares</p> <p>Period in office: 2 years and 0 months *As of the conclusion of this General Meeting of Shareholders</p>	<p>April 2008 Joined A.T. Kearney Tokyo September 2009 Founded RAKSUL INC.; Representative Director (to present) September 2018 Director, the Company (to present)</p> <p>[Reasons for appointment as a candidate for Director] Mr. Yasukane Matsumoto established RAKSUL INC., a company that operates a sharing platform business for printing services utilizing the non-operating time of printing presses. He was selected as a Forbes Japan #1 entrepreneur and is highly praised as an innovative founder and corporate manager. Based on his pioneering business insights and broad knowledge as a business manager, we have concluded that he can offer appropriate advice on the Company's business expansion and overall management as an Outside Director. We therefore propose his reelection 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. Ms. Meyumi Yamada, a candidate for Director, is well known by the name presented here, and therefore retains that name for professional purposes. Her name recorded in the official family register, however, is Ms. Meyumi Hara.
4. At JAPAN POST INSURANCE Co., Ltd., where Ms. Meyumi Yamada has served as Outside Director since June 2017, incidents were detected pertaining to the switch over of contracts that may have caused disadvantage to customers and were not in line with their intentions. On December 27, 2019, the company received an administrative disposition over the matter from the Financial Services Agency based on the Insurance Business Act, etc. However, Ms. Yamada has consistently made statements from the standpoint of compliance with laws and regulations. After the revelation of these incidents, she has performed her responsibilities as Director by making proposals for the protection of customers and to prevent recurrence.
5. Messrs. Michimasa Naka and Yasukane Matsumoto are candidates to become Outside Directors.
6. Messrs. Michimasa Naka and Yasukane Matsumoto are Independent Officers prescribed by the Tokyo Stock Exchange. If their reelection is approved as proposed, we plan to continue their appointment as Independent Officers. As Messrs. Naka and Matsumoto are neither major shareholders of the Company nor former employees of any of the Company's major business partners, they are unlikely to have any conflicts of interest with general shareholders. Therefore, we believe that they are appropriately qualified as Independent Officers.
7. Messrs. Michimasa Naka and Yasukane Matsumoto currently serve as Outside Directors of the Company and their terms of office as Outside Directors will reach six years, and two years, respectively, at the conclusion of this Annual General Meeting of Shareholders.
8. Liability limitation agreement
The Company has entered into an agreement with each of Messrs. Michimasa Naka and Yasukane Matsumoto to limit their respective liabilities for damages pursuant to the provisions of Article 423, Paragraph 1 of the Companies Act. The agreement limits the amounts of their respective liabilities for damages to the minimum liability amount provided under Article 425, Paragraph 1 of the same Act. If the reelection of Messrs. Naka and Matsumoto are approved as proposed, the Company plans to enter into the same liability limitation agreement with both of them.

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