istyle

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FASF

August 13, 2026

To whom it may concern,

Company name istyle Inc.
Representative Tetsuro Yoshimatsu,
Representative Director and Chairperson, CEO
(Stock Exchange Code: 3660 Prime Market)
Contact Kei Sugawara, Director and Vice Chairperson, CFO
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Notice Concerning Acquisition of 24th Series of Warrants and Forecast of Recording an Extraordinary Loss

The Company hereby announces that, at the Board of Directors meeting held on August 13, 2026, it has resolved to acquire all of the 24th Series of Warrants issued to Amazon.com, Inc. ("Amazon") as allottee (the "Warrants"), as follows, based on the WARRANT PURCHASE AGREEMENT, concluded as of today's date between the Company and Amazon (the "Transfer Agreement").

The Company hereby also announces that in connection with the acquisition of the Warrants, the Company expects to record an extraordinary loss in the fiscal year ending June 2027.

1. Summary of Acquisition of Warrants

(1)	Name of warrants acquired	istyle Inc. 24th Series of Warrants
(2)	Number of warrants issued	436,047 units
(3)	Transferor of warrants	Amazon.com, Inc.
(4)	Issuance price	JPY 113,808,267 total (JPY 261 per 1 unit of warrants)
(5)	Number of warrants acquired	436,047 units
(6)	Acquisition date	August 13, 2026 (scheduled)
(7)	Acquisition price of warrants	JPY 3,150,000,000 total

2. Reason for the Acquisition

As described in the “Notice Concerning the Capital and Business Alliance with, and the Issuance of the 1st Series of Unsecured Bonds with Convertible Bond Type Warrants and the 24th Series of Warrants to Amazon.com, Inc.; the Capital and Business Alliance with, and the Issuance of the 2nd Series of Unsecured Bonds with Convertible Bond Type Warrants to Mitsui & Co., Ltd.; the Issuance of the 3rd Series of Unsecured Bonds with Convertible Bond Type Warrants to Triple Four Investment Partnership; and the Issuance of the 25th Series of Warrants to Y Corporation,” dated August 15, 2022, the Company has issued the Warrants for the purpose of strengthening its capital and secure its financial base in order to make proactive and flexible business investments. The Company chose to raise funds through the issuance of warrants due to the flexibility it offers to raise capital according to the progression of its business, and the primary intended uses thereof were technology investments for software development to develop services and strengthening IT infrastructure and information security. The Company has also advanced its service development to drive business growth as planned, while also achieving certain results in strengthening security.

Meanwhile, the Company began considering the acquisition of the Warrants to reduce market uncertainties arising from the exercise of the Warrants and the subsequent sale of the Company’s common stock delivered thereupon, to redesign its capital policy, and to facilitate and promote the consideration of all strategic options. At this time, since an agreement with the allottee Amazon has been obtained, the Company has decided to conclude the Transfer Agreement, as of August 13, 2026, and to acquire all of the Warrants as of the same date.

The “@cosme SHOPPING” store on Amazon.co.jp, which was a specific initiative in the business alliance with Amazon Japan G.K., is growing steadily, and we are providing a wide array of information regarding cosmetics and beauty, as well as selling a wide range of brands and diverse categories of cosmetics, which are the features of “@cosme SHOPPING,” to customers on Amazon.co.jp. We will also consider various collaborative initiatives to provide an even more engaging shopping experience for our customers. If there is any need for procurement of funds due to new purposes, the Company will flexibly consider them, including other procurement methods, based on future business policies and capital allocation strategies.

3. Forecast of Recording an Extraordinary Loss

With respect to the acquired Warrants, the Company plans to cancel the acquired Warrants in principle, while considering future capital initiatives. An extraordinary loss of 3.04 billion yen is expected to be recorded in the first quarter of the fiscal year ending June 2027 in connection with the resolution to cancel the Warrants.