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October 20, 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
(TEL. 03-6161-3660)

Notice Regarding Disposal of Treasury Shares as Restricted Stock Compensation

istyle Inc. (the "Company") hereby announces that our Board of Directors resolved at its meeting held on October 20, 2026, to dispose of treasury stock (hereinafter referred to as the "Treasury Stock Disposal" or the "Disposal") as follows.

I. Outline of the Disposal

1. Allotment Date:	November 19, 2026
2. Type and Number of Shares to be Disposed:	Common shares of the Company: 65,787 shares
3. Disposal Price and Total Disposal Amount:	456 yen per share Although the Disposal will be made without consideration as compensation to directors (pursuant to Article 202-2 of the Companies Act), the disposal price is set at the closing price of the Company's common shares on the Prime Market of the Tokyo Stock Exchange on the business day immediately prior to the Board resolution date (October 19, 2026: 456 yen), and the total disposal amount is calculated as such price multiplied by the number of shares to be disposed, amounting to 29,998,872 yen in total.
4. Allottees and Number of Shares:	Executive Directors of the Company (excluding Outside Directors): 3 persons, 65,787 shares

II. Purpose and Reason for the Disposal

At the meeting of the Board of Directors held on August 12, 2025, the Company resolved to introduce a new compensation plan in the form of a Restricted Stock Compensation Plan (hereinafter the "Plan") for the Company's directors (excluding outside directors; hereinafter the "Eligible Directors"). The purpose of the Plan is to provide the Eligible Directors with incentives to enhance the Company's corporate value on a sustainable basis, while further promoting value sharing with shareholders.

Furthermore, at the 26th Annual General Meeting of Shareholders held on September 27, 2025, shareholders approved,

under the Plan, that the compensation granted to the Eligible Directors shall consist of either (i) shares of the Company's common stock or (ii) monetary claims to be contributed in kind for the acquisition of the Company's common stock. The total annual amount of such compensation in the form of common stock or monetary claims to be granted to the Eligible Directors under the Plan shall not exceed 60 million yen (excluding salaries as employees), and the total number of shares of the Company's common stock to be issued or disposed of for the Eligible Directors shall not exceed 120,000 shares per year. In addition, the transfer restriction period for the restricted stock shall be a period determined in advance by the Board of Directors, ranging from three years to 50 years.

An outline of the Plan is as follows:

[Overview of the Plan]

Under the Plan, the Company will issue or dispose of shares of its common stock to the Eligible Directors either (i) without requiring payment in cash or contribution in kind of assets by the Eligible Directors (hereinafter referred to as "Allotment without Contribution"), or (ii) by granting monetary claims to the Eligible Directors as compensation, with the Eligible Directors contributing the entire amount of such monetary claims in kind to receive the issuance or disposal of the Company's common stock (hereinafter referred to as "Contribution in Kind").

In connection with such issuance or disposal, the Company will enter into an Agreement on Allotment of Restricted Stock with each Eligible Director, the terms of which will include, among others: (i) the prohibition, for a specified period, on the transfer, creation of any security interest, or any other disposition of the Company's common stock allocated under the Agreement; and (ii) the Company's right to acquire such common stock without consideration upon the occurrence of certain events.

In the case of an Allotment without Contribution, the Eligible Directors will not be required to make payment of monetary claims as contribution in kind in exchange for the shares of the Company's common stock to be issued or disposed of. The per-share amount of such common stock will be calculated based on the closing price of the Company's common stock on the Tokyo Stock Exchange on the business day immediately preceding the date of each resolution of the Board of Directors (or, if no trade is executed on that day, the closing price on the immediately preceding trading day).

In the case of a Contribution in Kind, the Eligible Directors will be required to contribute in kind the entire amount of the monetary claims granted by the Company under the Plan, and will receive the issuance or disposal of the Company's common stock. The per-share payment amount will be determined by the Board of Directors based on the closing price of the Company's common stock on the Tokyo Stock Exchange on the business day immediately preceding the date of each resolution of the Board of Directors (or, if no trade is executed on that day, the closing price on the immediately preceding trading day), within a range that does not constitute a particularly favorable amount for the Eligible Directors who subscribe to such shares.

Following deliberation by the Nomination and Compensation Advisory Committee, and taking into account the purpose of the Plan, the Company's business performance, the scope of responsibilities of each Eligible Director, and various other factors, the Company resolved to grant, as compensation for the execution of duties, a total of 65,787 shares of the Company's common stock to three Eligible Directors, with a view to further enhancing their motivation.

The outline of the Agreement on Allotment of Restricted Stock (hereinafter referred to as the "Allotment Agreement") to be executed between the Company and the Eligible Directors in connection with this disposal of treasury stock is as described in Section III below.

III. Summary of Agreement

1. Transfer Restriction Period

From November 19, 2026 (the "Allotment Date") to November 18, 2076.

2. Conditions for Lifting of Transfer Restrictions

Provided that the Eligible Director has continuously held any of the following positions during the transfer restriction period—director, executive officer, executive officer not concurrently serving as director, corporate auditor, advisor, counsel, employee, or other equivalent position of the Company or its subsidiaries—the transfer restrictions on all shares of the Company's common stock allotted under the Allotment Agreement (hereinafter the "Allotted Shares") shall be lifted upon expiration of the transfer restriction period.

3. Treatment in the Event of Resignation or Retirement Due to Expiration of Term, Mandatory Retirement Age, or Other Justifiable Reason During the Transfer Restriction Period

(i) Timing of Lifting Transfer Restrictions:

If the Eligible Director resigns or retires (including resignation or retirement due to death) from all positions listed above at the Company or its subsidiaries due to expiration of term, mandatory retirement age, or other justifiable reason (excluding resignation or retirement due to personal reasons), the transfer restrictions shall be lifted immediately upon such resignation or retirement.

(ii) Number of Shares Subject to Lifting of Transfer Restrictions:

The number of Allotted Shares held at the time of such resignation or retirement multiplied by the number of months from the month including the Allotment Date to the month including the date of resignation or retirement, divided by 12 (capped at 1). Any fractional shares resulting from the calculation shall be rounded down.

4. Acquisition Without Consideration by the Company

If, during the transfer restriction period, the Eligible Director engages in any act in violation of laws and regulations or falls under certain circumstances specified in the Allotment Agreement, the Company shall automatically acquire all of the Allotted Shares held by such Eligible Director without consideration. In addition, upon expiration of the transfer restriction period or at the time of lifting of transfer restrictions pursuant to 3. above, the Company shall automatically acquire without consideration all Allotted Shares for which transfer restrictions have not been lifted.

5. Treatment in the Event of Organizational Restructuring, etc.

If, during the transfer restriction period, matters relating to a merger agreement under which the Company is to be dissolved, a share exchange agreement or share transfer plan under which the Company becomes a wholly-owned subsidiary, or other organizational restructuring, are approved at a General Meeting of Shareholders of the Company (or, where such approval is not required at a General Meeting of Shareholders, by the Board of Directors of the Company), then, by resolution of the Board of Directors, the transfer restrictions shall be lifted immediately prior to the time on the business day immediately preceding the effective date of such organizational restructuring with respect to the number of Allotted Shares held at that time multiplied by the number of months from the month including the Allotment Date to the month including the date of such approval, divided by 12 (capped at 1). Any fractional shares resulting from the calculation shall be rounded down. Immediately after the transfer restrictions are lifted, the Company shall automatically acquire without consideration all Allotted Shares for which transfer restrictions have not been lifted.

6. Management of Shares

In order to prevent transfer, creation of security interests, or other disposition of the Allotted Shares during the transfer restriction period, such shares shall be managed in a dedicated account opened by each Eligible Director at Nomura Securities Co., Ltd. To ensure the effectiveness of the transfer restrictions, the Company has entered into an agreement with Nomura Securities Co., Ltd. concerning the management of such accounts for the Allotted Shares held by the Eligible Directors. Each Eligible Director shall be deemed to have agreed to the terms of such account management.