Presentation Materials for the 1st Quarter of FY2027

Nov. 9, 2026

istyle Inc.

Stock code: 3660

Apology Regarding Leakage of Personal Information Due to Unauthorized Access

We sincerely apologize for the considerable inconvenience and concern this incident may cause to all parties involved.

Current Status

Following the confirmation of unauthorized access to our systems by a third party, we immediately implemented measures to prevent further impact and are conducting an ongoing investigation in collaboration with external specialized organizations to determine the cause and the scope of the impact.
We have already reported this incident to the Personal Information Protection Commission (PPC), the competent regulatory authority.

Our Response Policy

Taking this incident with the utmost seriousness, we will formulate and implement recurrence prevention measures as soon as the findings from the third-party organizations are finalized.

Progress updates and details regarding this matter are continually disclosed on our corporate website:
https://www.istyle.co.jp/news/info/ (Japanese Text Only)

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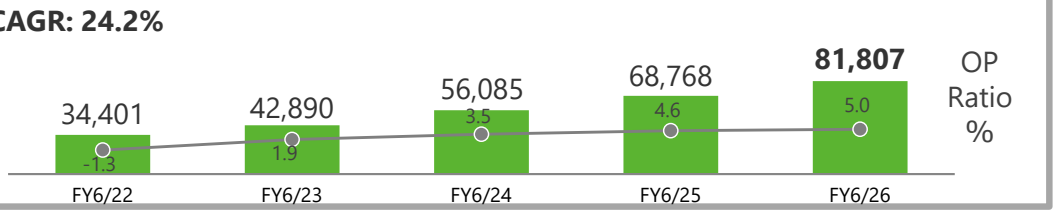
【Reference】Performance by Business Segment (Yearly)

Segment Description | Sales Distribution FY26 | Segment Sales Trends

(Unit: Million JPY)

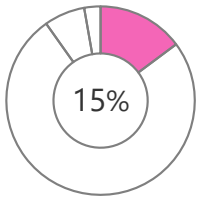
Consolidated Results

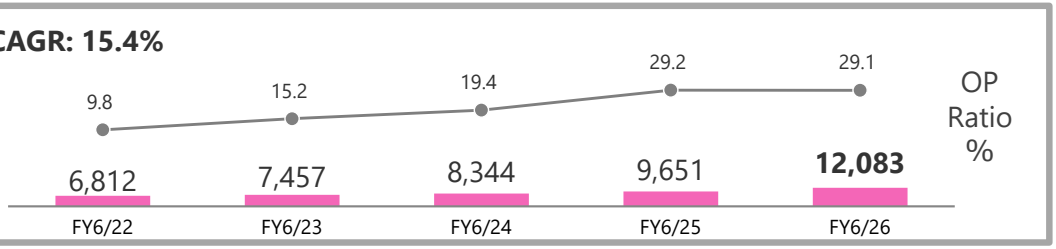




Marketing Solution

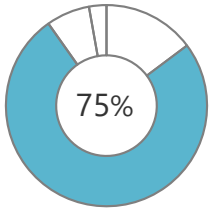
- BtoB service
  - Advertising/solution service
  - Marketing SaaS

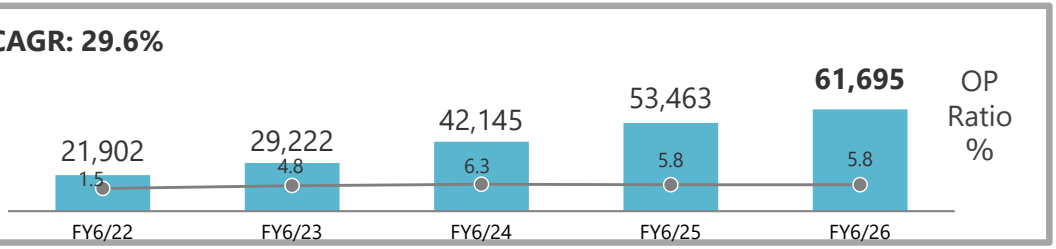




Retail

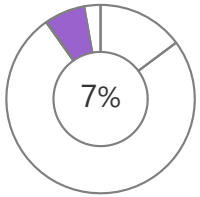
- Domestic retail
  - E-commerce
  - Physical stores

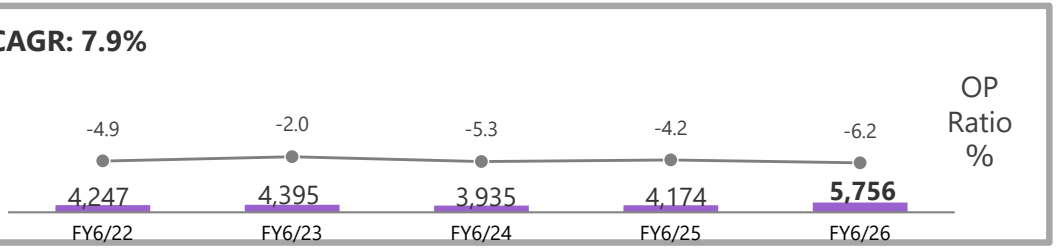




Global

- Overseas
  - E-commerce, Wholesales
  - Physical stores
  - Media

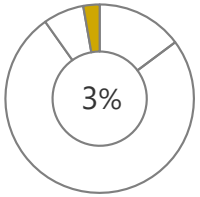


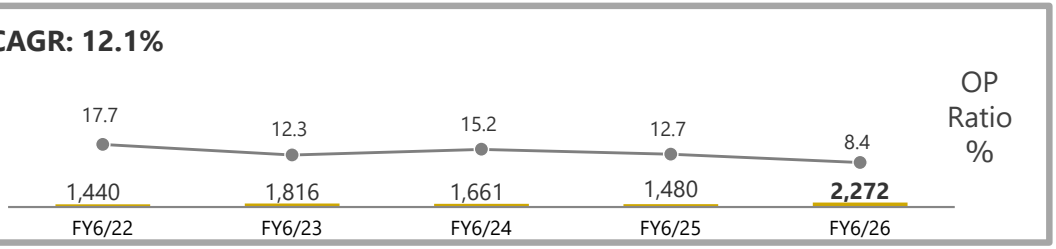


Other

- Temporary staffing agency
- B2C fee-based service
- Supplements
- Investment and consultation

etc.





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Overview of Financial Results for the 1st Quarter of FY2027

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Q1 / Financial Summary & Key Topics

Financial Summary

Consolidated Sales YoY +6.4% / Consolidated Operating Profit YoY -17.9%

- ✓ **Top line grew steadily YoY across all segments.**
- ✓ In the **Marketing Solution segment**, temporary profit decline due to upfront growth investments—such as **expanding brand partnerships** and **upgrading the IT system infrastructure**—also impacted consolidated operating profit.
- ✓ Aiming to improve the challenged Hong Kong flagship store through **organizational restructuring and enhanced promotional/traffic-driving initiatives.**

Key Topics

Status of Response to Information Security Incident

- ✓ Completed containment and blocking measures to prevent further unauthorized access.
- ✓ Continuing thorough investigations in collaboration with external specialized agencies, while strictly reinforcing governance and internal control levels.

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Q1 / Highlight (Unit: Million JPY)

Consolidated Results

Revenue increased across all segments. Meanwhile, profit declined temporarily due to forward-looking growth investments in the Marketing Solution business.

Net sales	19,623	(YoY	+6.4 %)	Operating profit	853	(YoY	-17.9 %)

Marketing Solution

Sales increased driven by new brand acquisitions. Profit temporarily decreased due to initiatives aimed at expanding the client brand base for future growth.

Net sales	3,256	(YoY	+11.5 %)	Operating profit	823	(YoY	-15.4 %)

Retail

Domestic customer sales remained solid, despite store performance being affected by lower inbound demand and unfavorable weather.

Net sales	14,418	(YoY	+1.8 %)	Operating profit	880	(YoY	+2.3 %)

Global

In addition to sales contributions from the Hong Kong flagship store, **cross-border E-commerce to China contributed to revenue growth.**

Net sales	1,604	(YoY	+59.7 %)	Operating profit	-85	(YoY	+65 M JPY)

Other

Sales and profit declined following organizational restructuring toward next-generation growth areas, but performance progressed in line with the plan.

Net sales	347	(YoY	-2.4 %)	Operating profit	3	(YoY	-75.0 %)

Corp. Exp. (w/ Adjustments)

Management department personnel costs, head office rent, etc.

				Operating profit	-769	(YoY	-113 M JPY)

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Q1 / Progress Against Consolidated Earnings Forecast

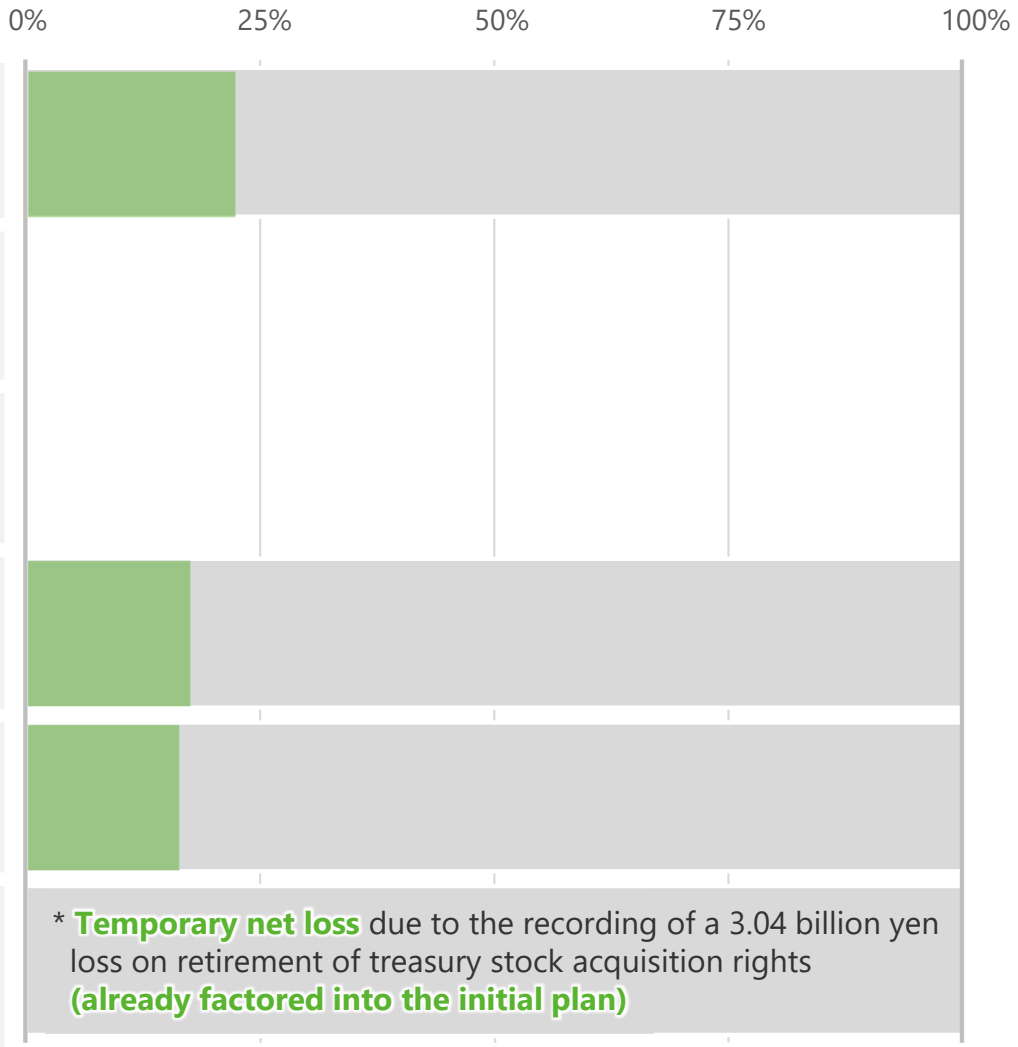
- Although progress was slightly softer than expected due to sales shortfalls in the Retail segment (stores) and the Global segment (Hong Kong flagship store), we aim to achieve full-year targets through ongoing improvement measures.

Consolidated Performance Summary

(Unit: Million JPY)

	Full-year Forecast	Q1 result	Progress	YoY
Net sales	90,000	19,623	21.8%	+6.4%
Gross profit	-	8,552	-	+6.2%
SG&A	-	7,699	-	+9.8%
Operating profit	5,000	853	17.1%	-17.9%
Ordinary profit	5,100	811	15.9%	-22.7%
Profit attributable to owners of the parent company	1,400	-1,668	*	-2,317 M JPY

Progress Against Full-year Forecast

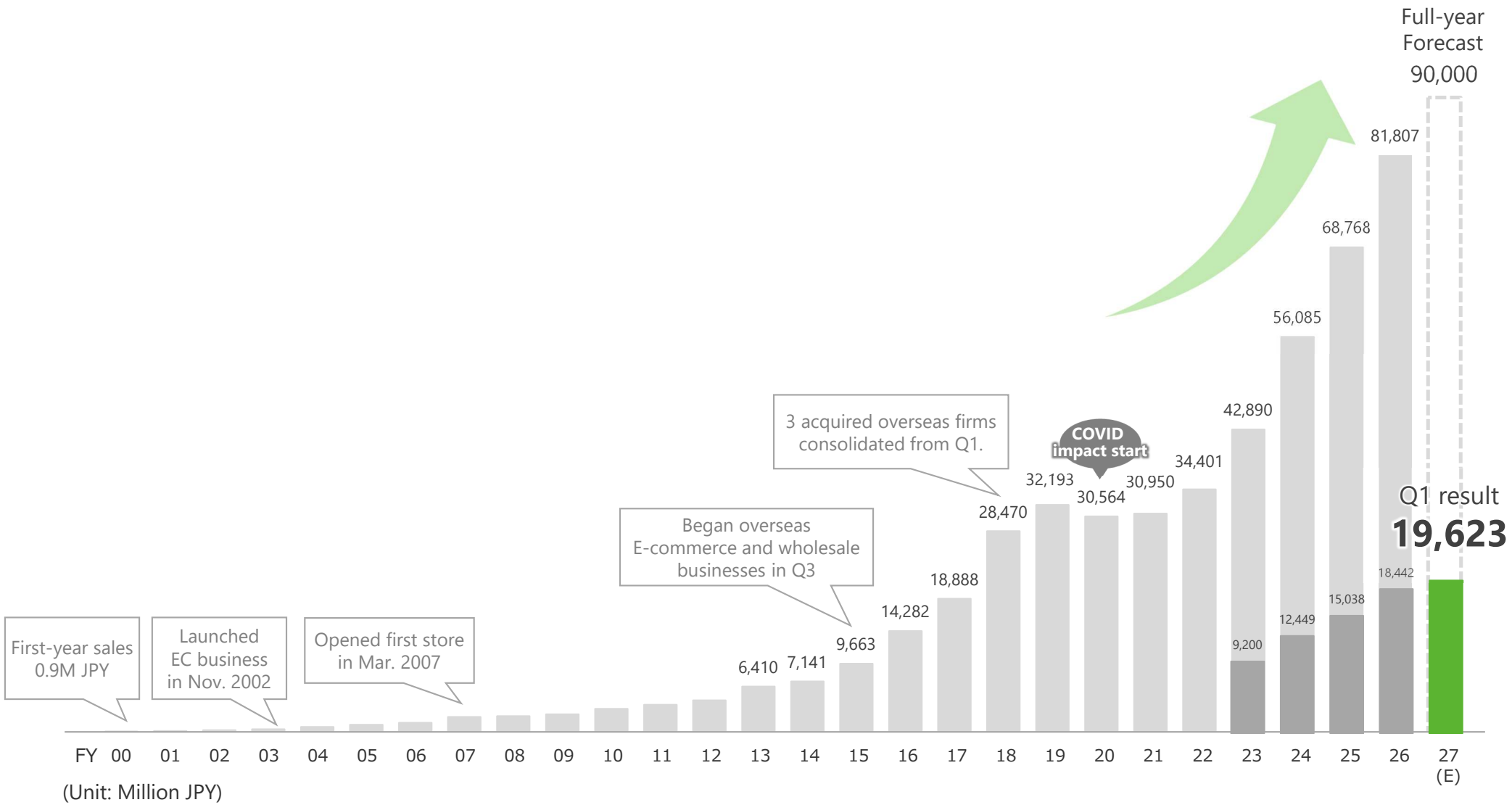


* **Temporary net loss** due to the recording of a 3.04 billion yen loss on retirement of treasury stock acquisition rights **(already factored into the initial plan)**

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Trend in net sales

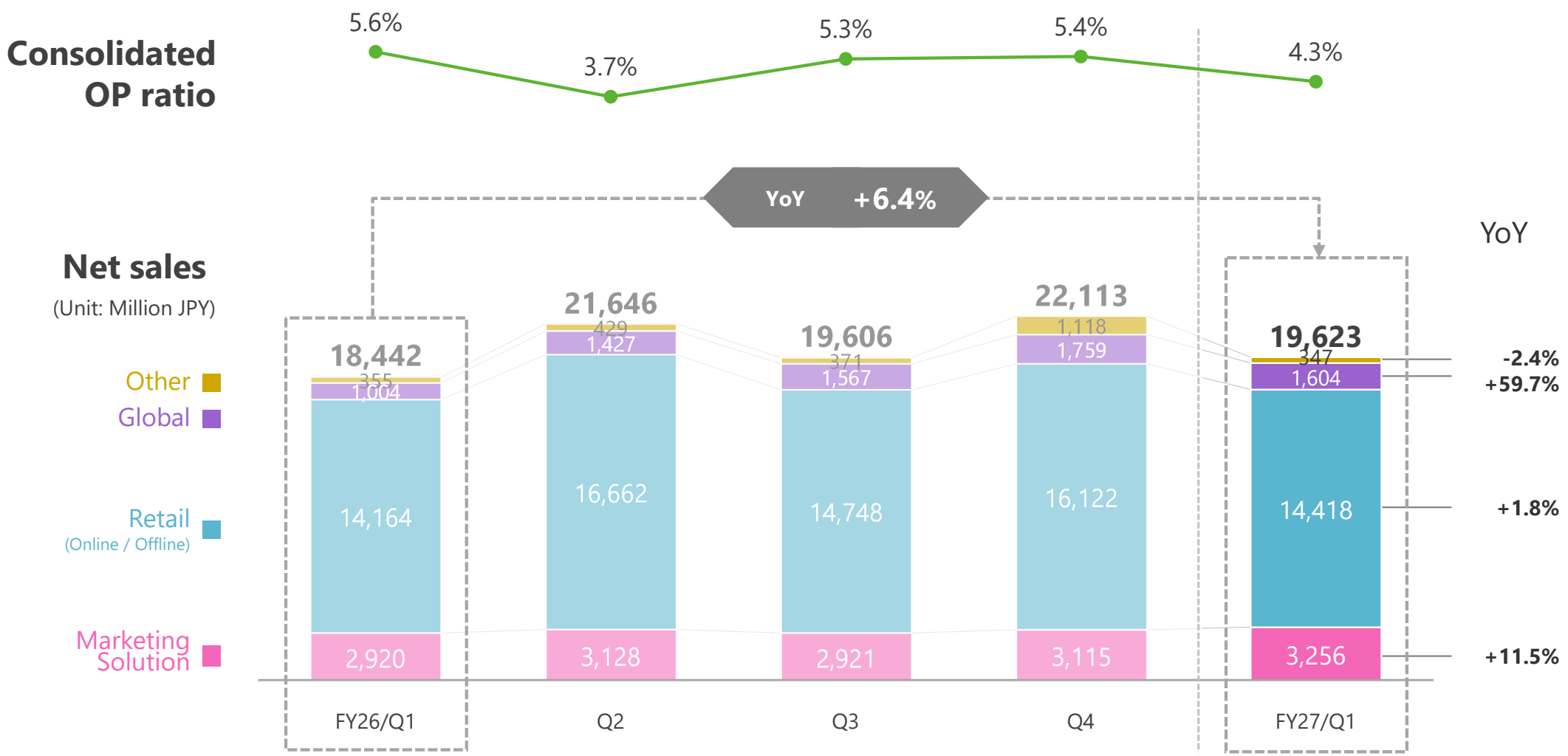
- **Record sales and on a growth trajectory.**



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Trends in segment sales (Quarterly)

- Sales increased due to solid Marketing Solution business and contribution from Hong Kong flagship store.

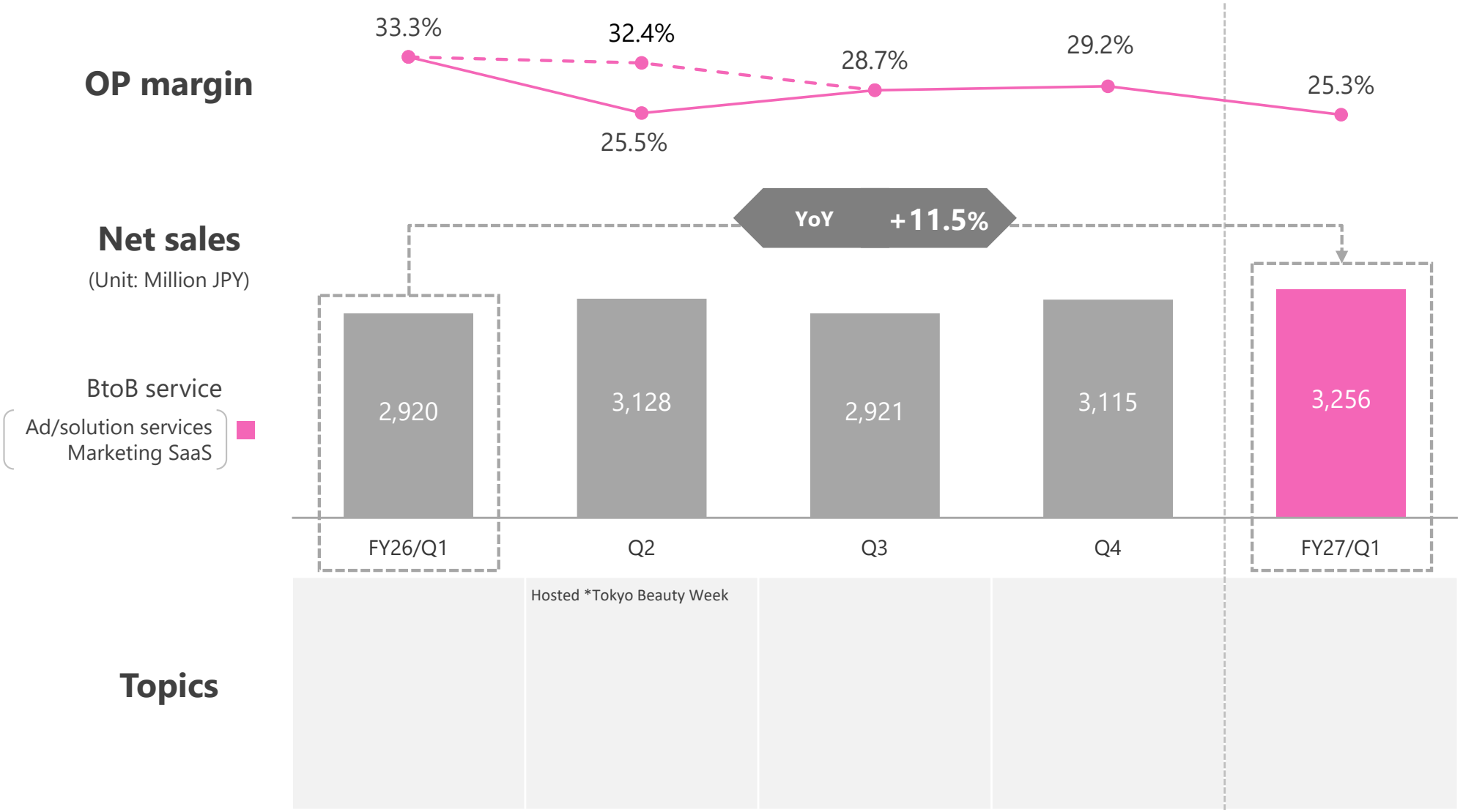


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Marketing Solution

Trends in segment sales (Quarterly)

- Net Sales: Revenue increased due to expanding transaction volume with existing brands as well as acquiring new brands that will serve as a foundation for future growth.
- OP%: Decreased YoY due to forward-looking investments in talent and IT infrastructure renewal, alongside gross margin impacts from expanding the client brand base; expected to improve toward the 2nd half.



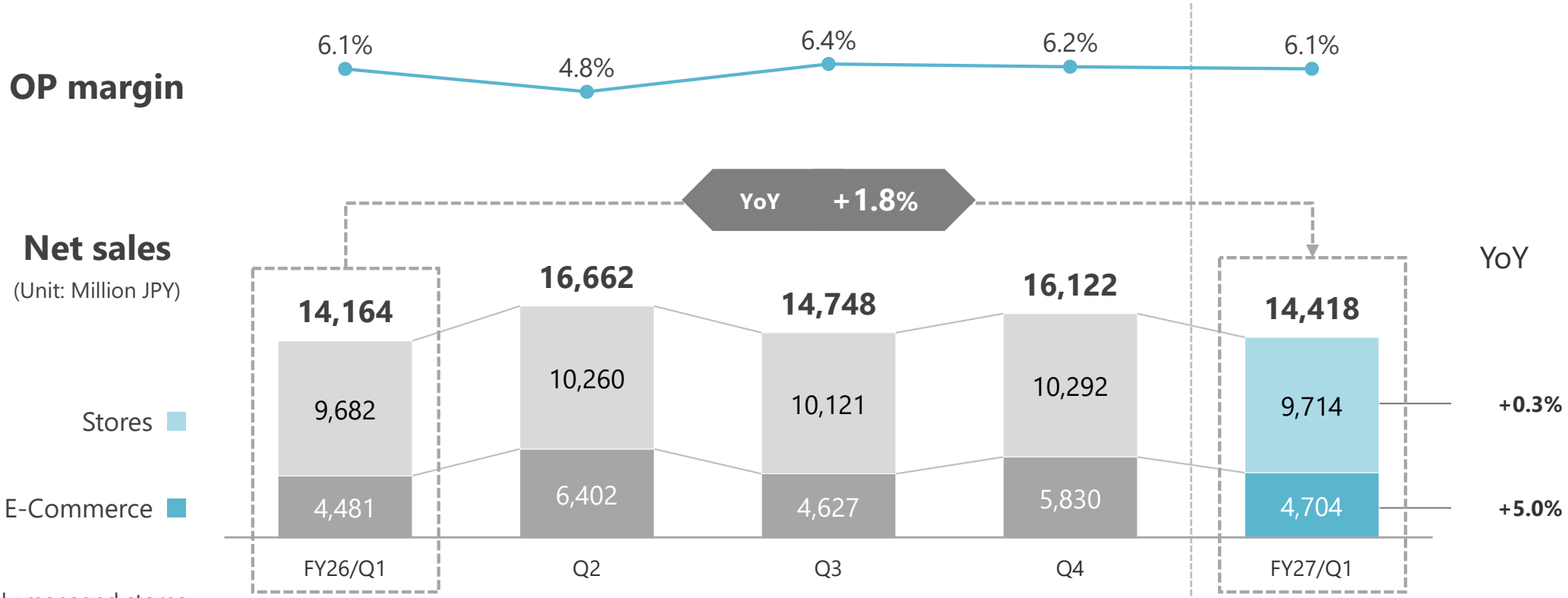
* Tokyo Beauty Week: Major event offering diverse beauty experiences through industry-wide co-creation.

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Retail
(Online / Offline)

Trends in segment sales (Quarterly)

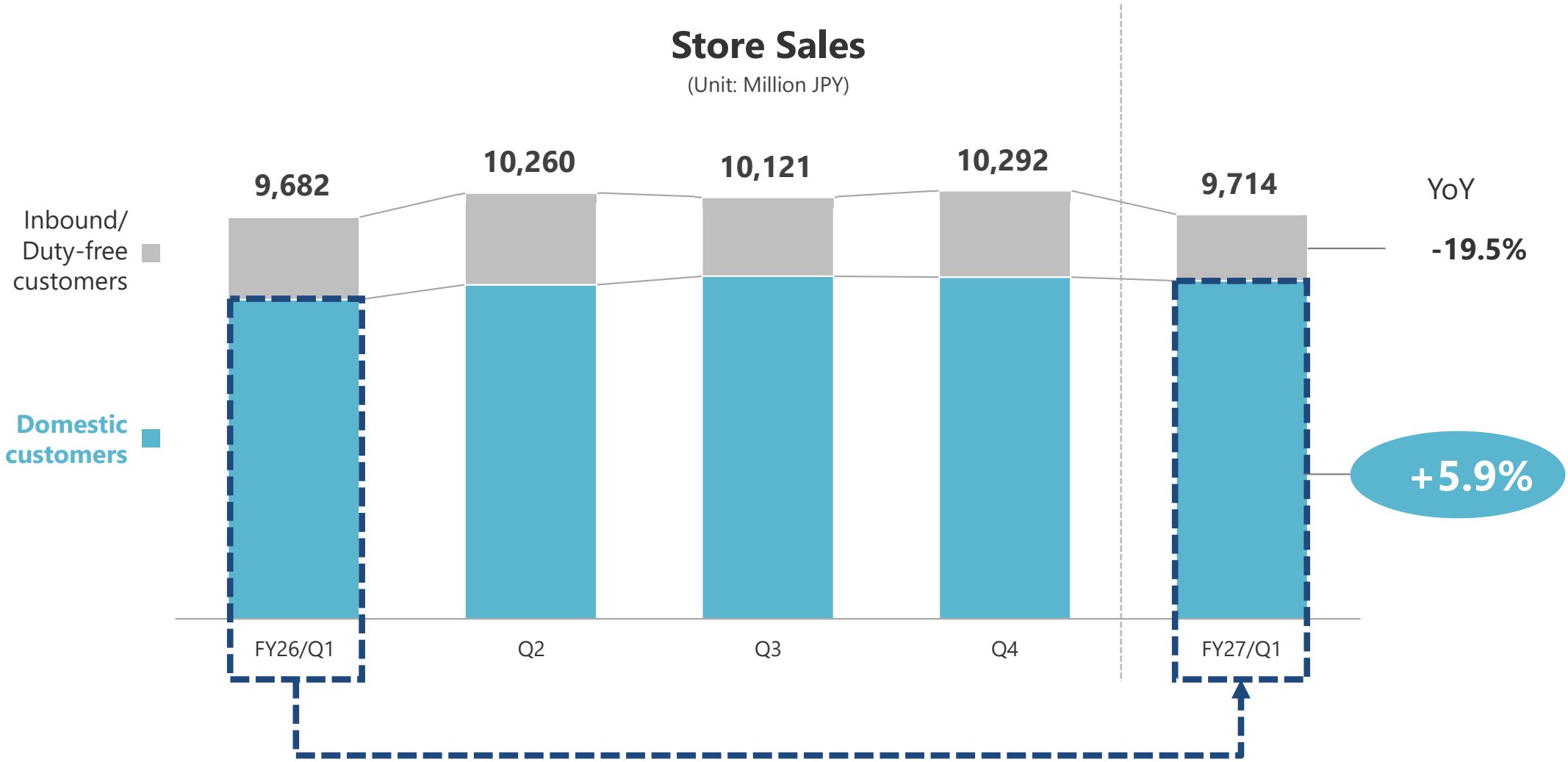
- Net Sales:【Stores】**Sales to domestic customers remained solid**, despite the impact of lower inbound demand and unfavorable weather.
  【EC】Progressing smoothly according to plan.
- OP%: Operating Profit Margin: Remained flat YoY due to upfront costs for staffing reinforcement aimed at enhancing the in-store experience.



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Domestic and Duty-Free Retail Sales

- Aiming to return to a cruising growth trajectory by providing experiential value that is not swayed by external factors.

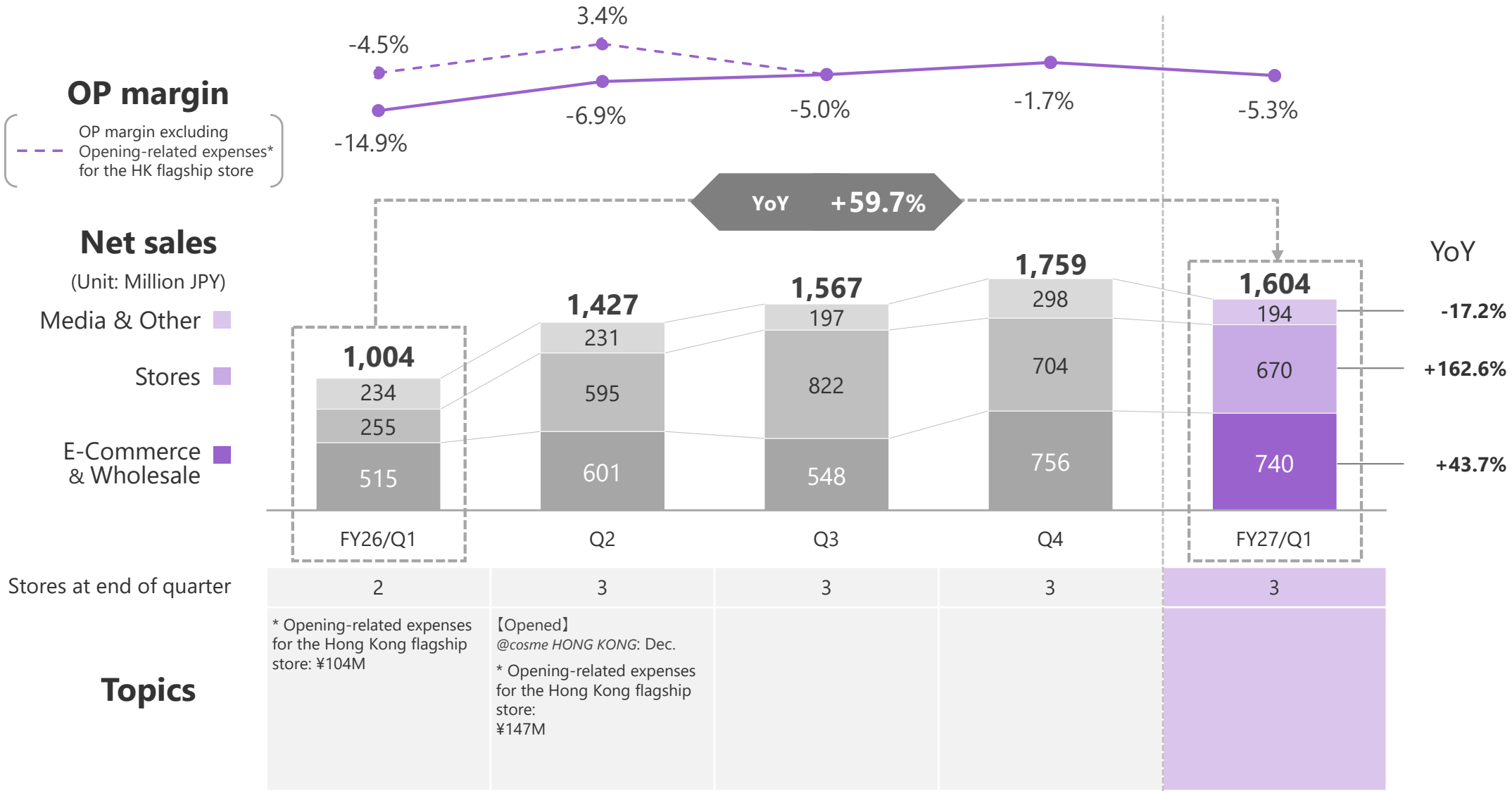


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Global

Trends in segment sales (Quarterly)

- Net Sales: Revenue increased driven by contributions from the HK flagship store, in addition to strong performance in China cross-border EC.
  OP%: Improved YoY as opening-related expenses for the Hong Kong flagship store incurred in the same period of the previous fiscal year dissipated.



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Global

Hong Kong Flagship Store: Challenges and Next Actions

- Clarify challenges and execute concrete actions across organizational restructuring and customer attraction.

Challenges

Store Operations and Training

- Issues in local management and customer service training.
- Misaligned customer experience due to low understanding of local consumer needs.

Driving Store Traffic

- Curbed PR & promotions to prioritize fixing store operation.
- Unfavorable weather impacted customer traffic.

Next Actions



Organizational Restructuring

- ✓ **Shifted oversight to domestic store unit;** revamped operations and training.
- ✓ **Improve overall store service quality** by team building and customer service.



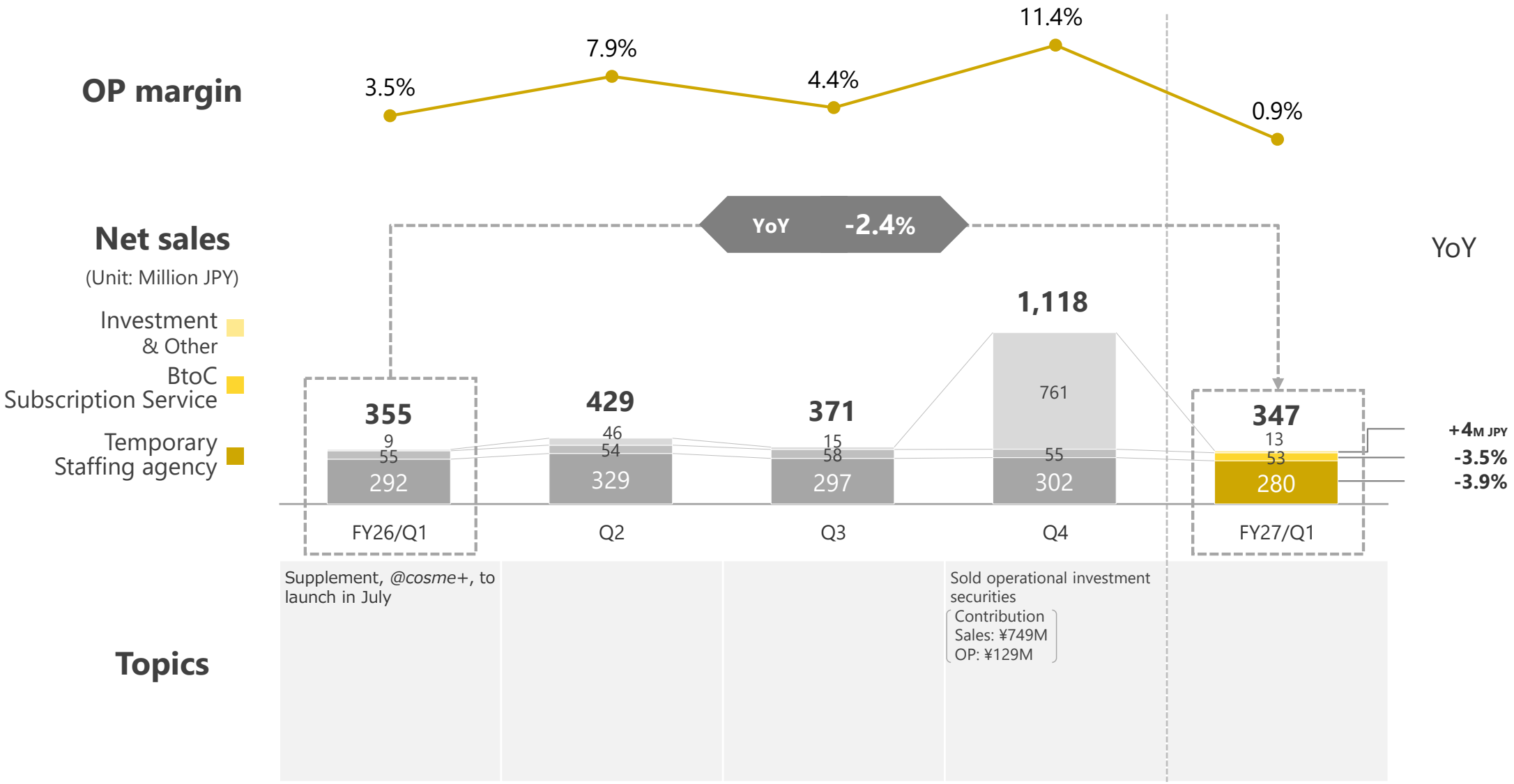
Resume & Strengthen Promotions

- ✓ Roll out SNS content partnering with **local HK beauty KOLs.**
- ✓ **Re-engage existing members and run targeted area marketing.**

Other

Trends in segment sales (Quarterly)

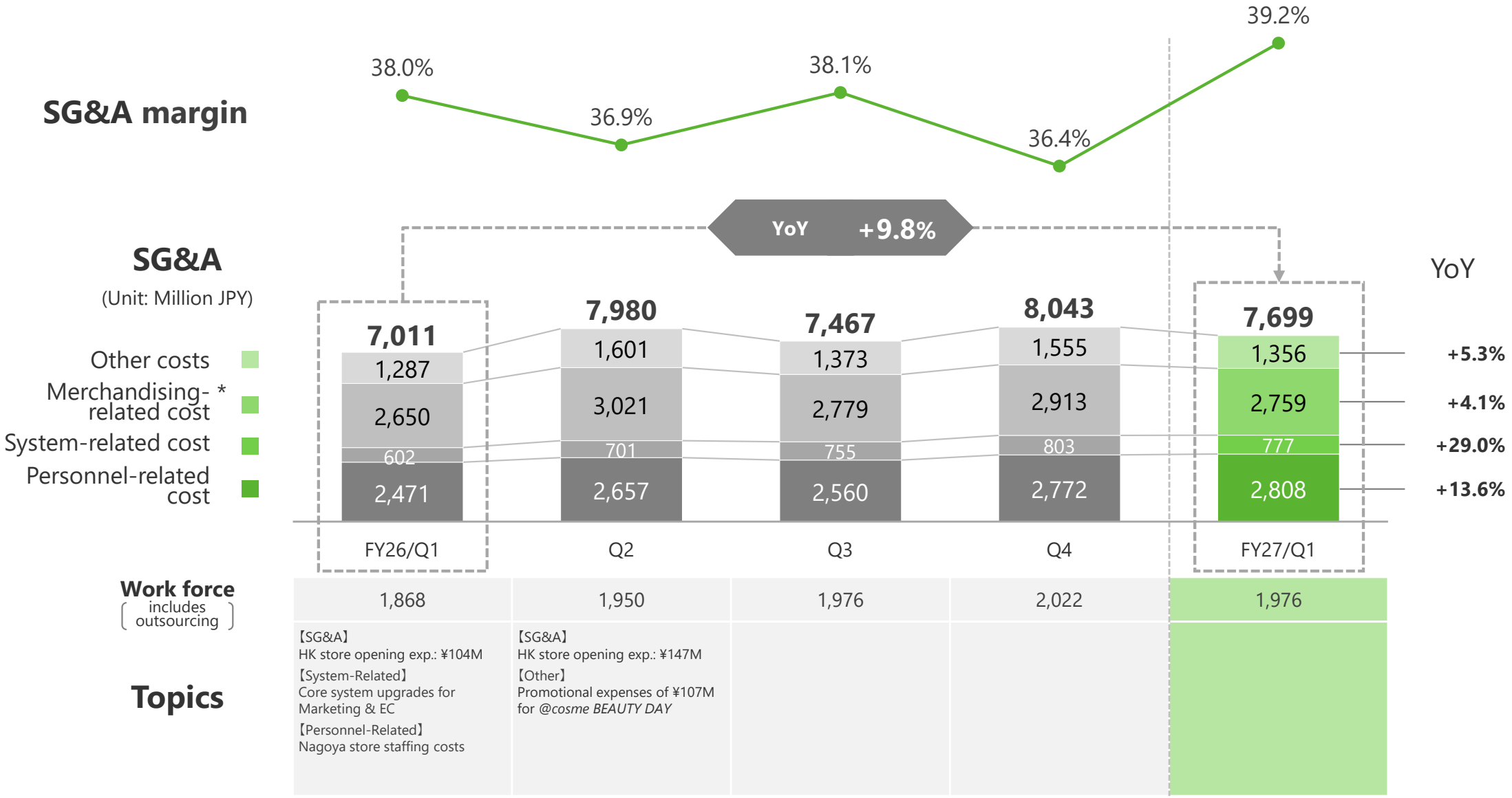
- YoY: Sales and profit down YoY due to restructuring for next-generation growth, tracking to plan.
- QoQ: Sales and profit down QoQ as 4Q gain on investment securities dissipated.



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Trends in SG&A expenses (Quarterly)

- SG&A ratio rose due to upfront investments in talent and IT infrastructure.

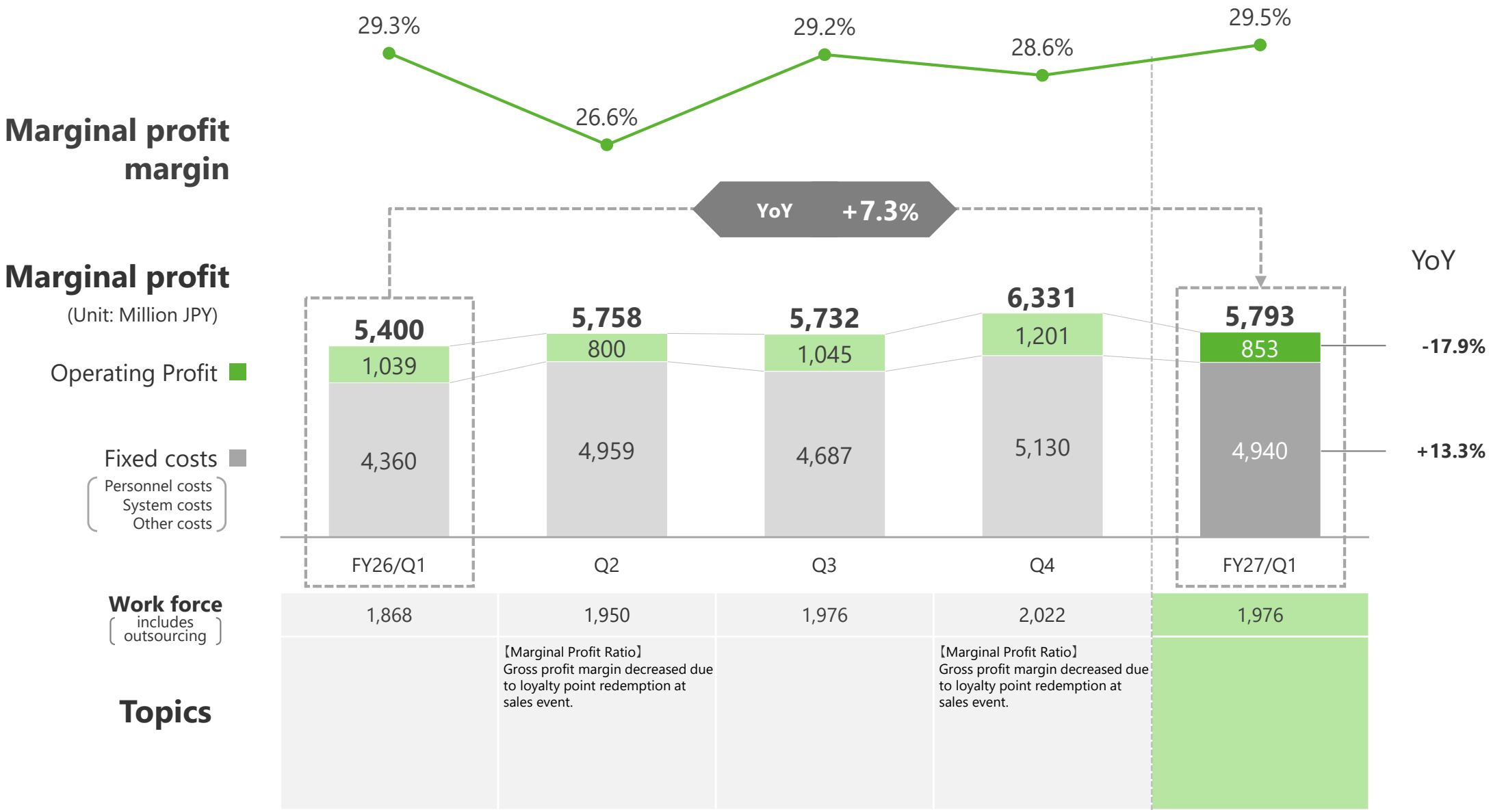


* Total cost linked to the amount of sales in E-Commerce and store business, such as delivery fee or rent fee

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Marginal profit* (Quarterly)

- Marginal profit margin: Slightly improved YoY on sales contribution from HK flagship store.

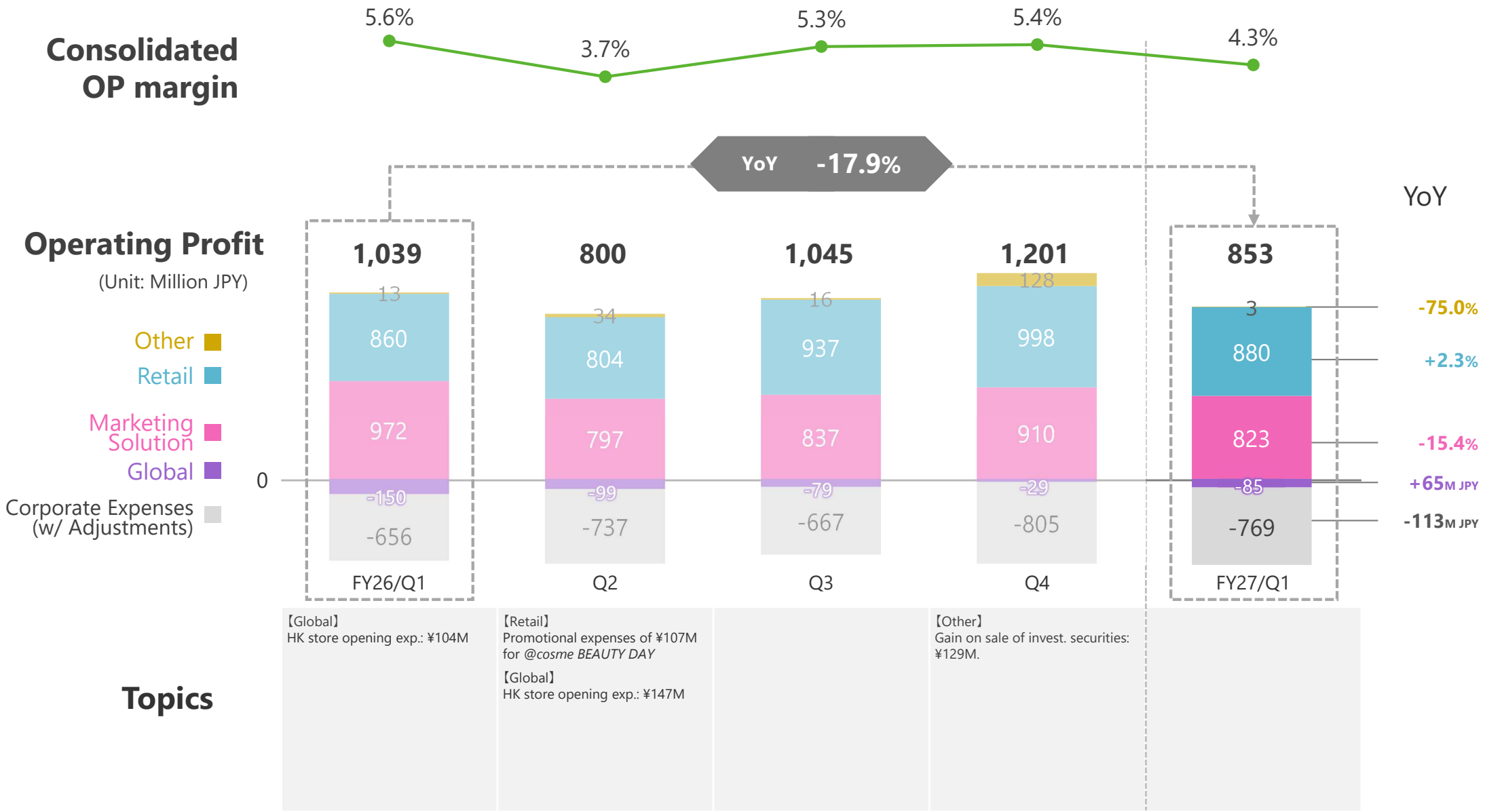


* Marginal profit: Net Sales minus variable costs such as cost of sales and merchandise-related expenses (e.g. delivery costs for EC business, commission fees paid to malls, store rent, etc.)

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Trends in operating Profit by segment (Quarterly)

- Temporary YoY profit decline due to growth investments in Marketing Solution.



Status of Operating Services

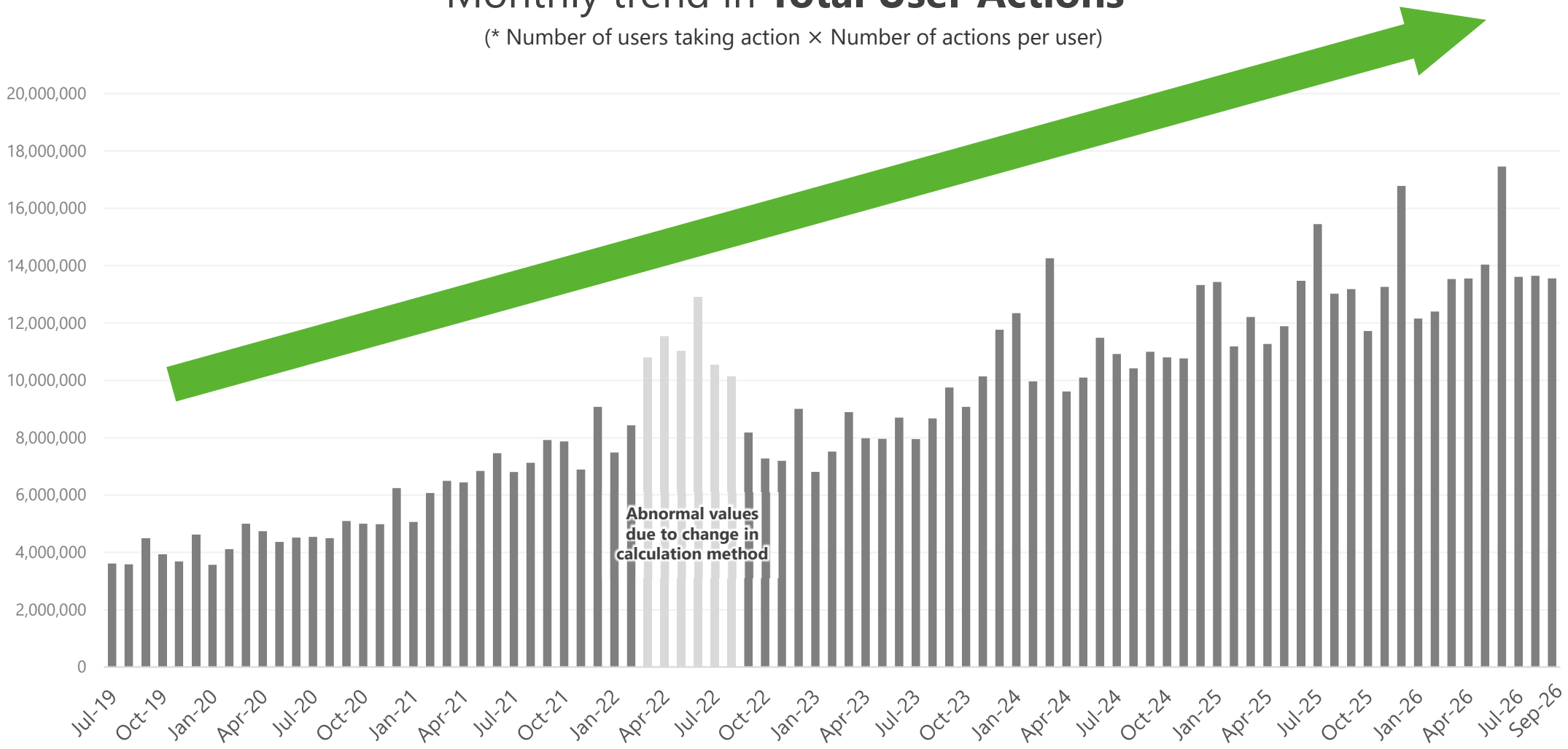
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KPI Total User Actions

- Maintains a growth trajectory, with steady growth in user actions.

Monthly trend in **Total User Actions***

(* Number of users taking action × Number of actions per user)



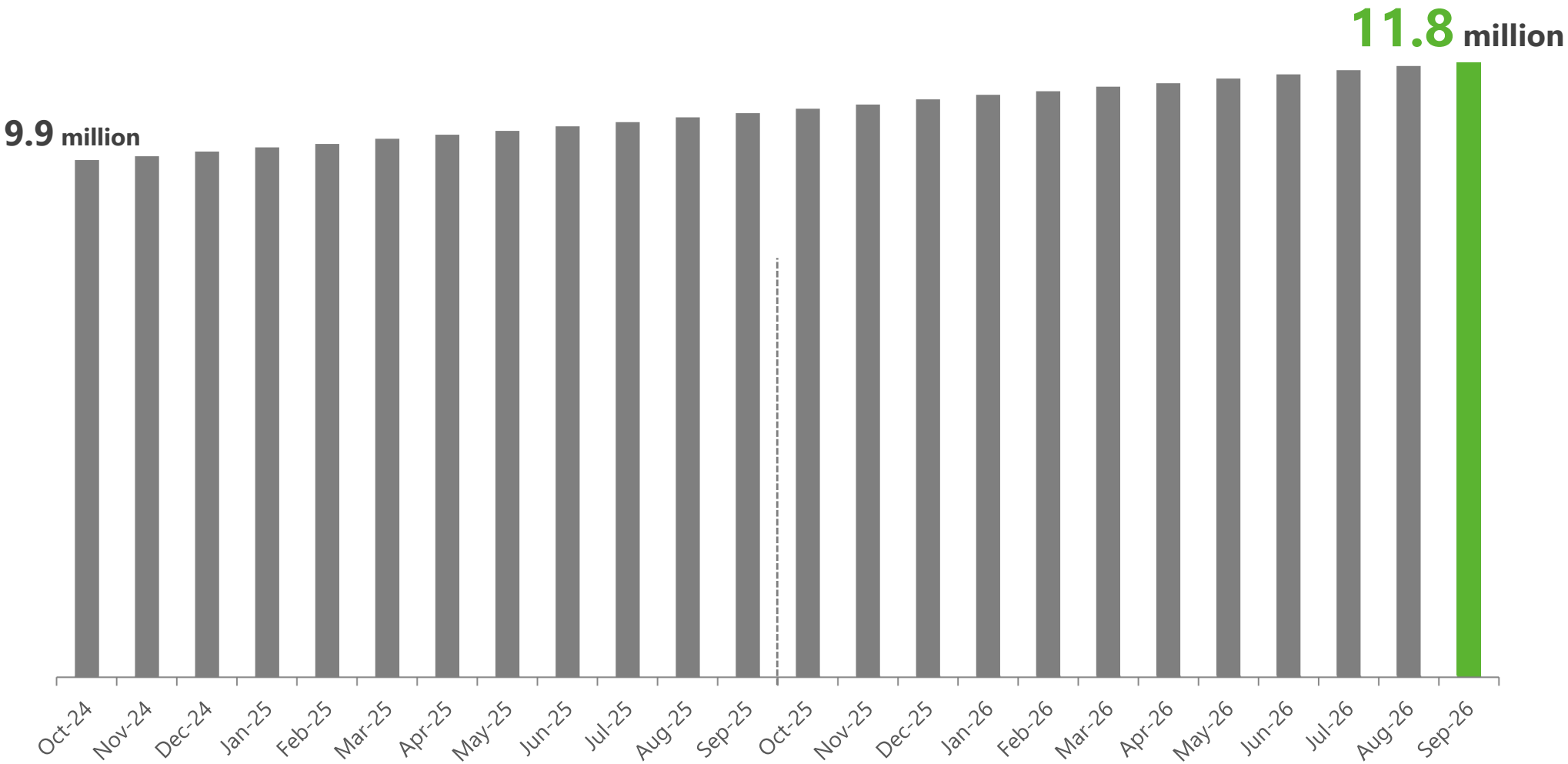
* User Actions: Actions within our platform beyond browsing, including reviews, purchases, gifts and monitor program applications, product Likes, and brand Follows.

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KPI

Trend in number of @*cosme*'s members*

- **Membership continues to trend up.**



* Number of members registered as users on @*cosme*, which is different from paid members such as premium members.

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Stores: New Store Openings and Expansions

*As of end of October, 2026

- Re-entered Kyoto; expanded sales floor area via renovations and expansions in prime commercial areas.

New Store

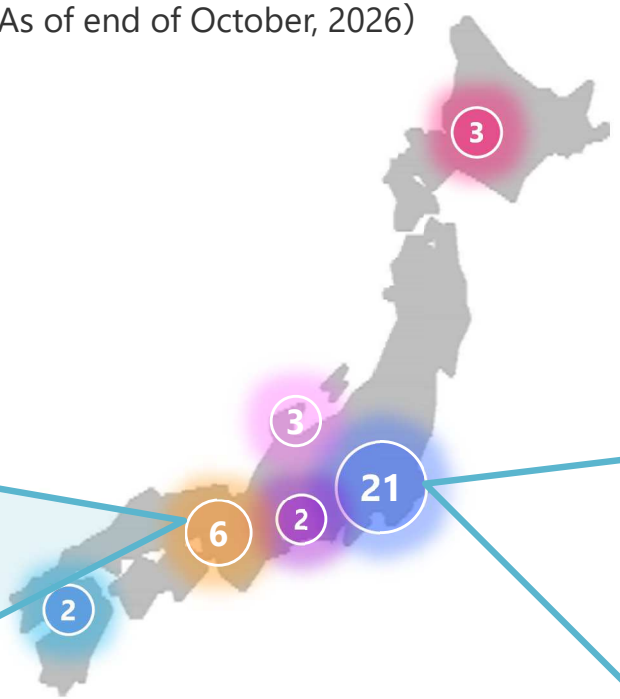
@cosme STORE

Kyoto Kawaramachi OPA
Opened Oct. 23, 2026
(Store area : 265㎡)





37 stores nationwide
(As of end of October, 2026)



Expansion

@cosme STORE

Yurakucho Store
Renovated Sep. 10, 2026
(Store Area : 224㎡ ➡ 336㎡)





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Progress on Three Growth Strategies

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istyle's Growth Strategy and Outlook

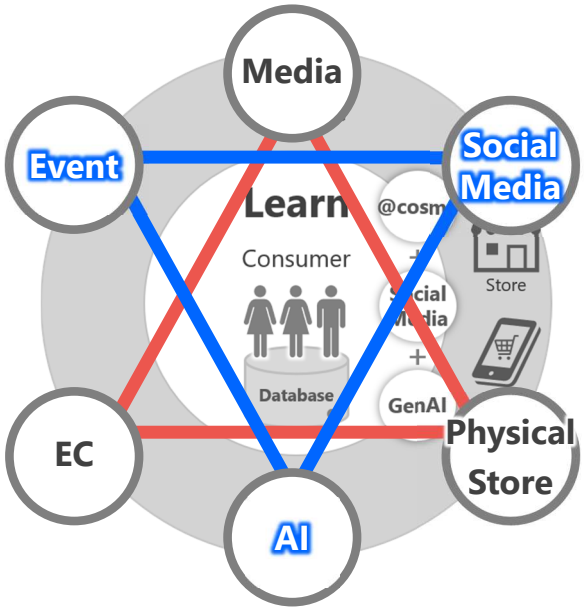
- Expanding touchpoints between consumers and brands to reduce reliance on *@cosme*

Three Growth Strategies for istyle's Future

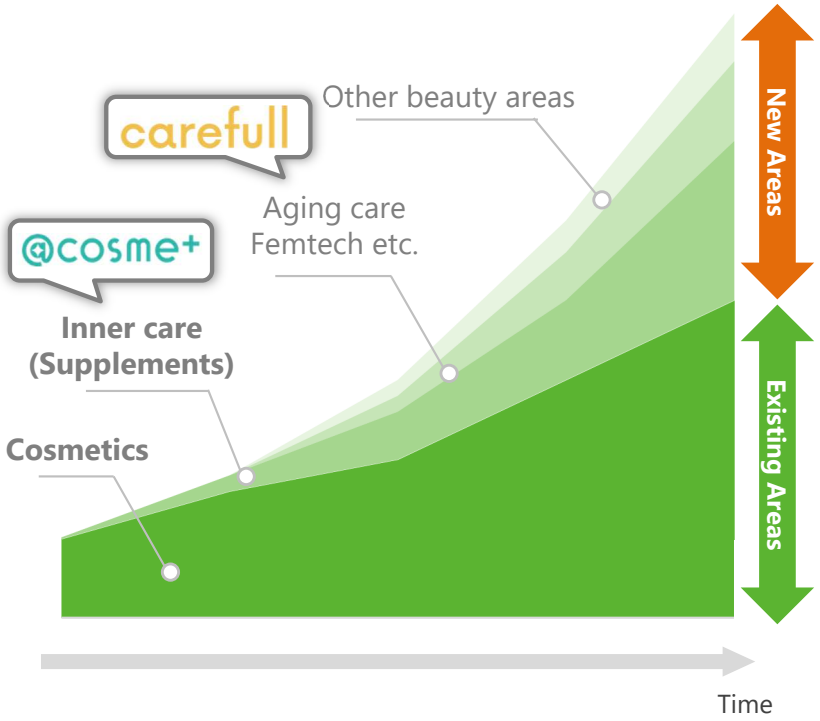
Updating *@cosme*

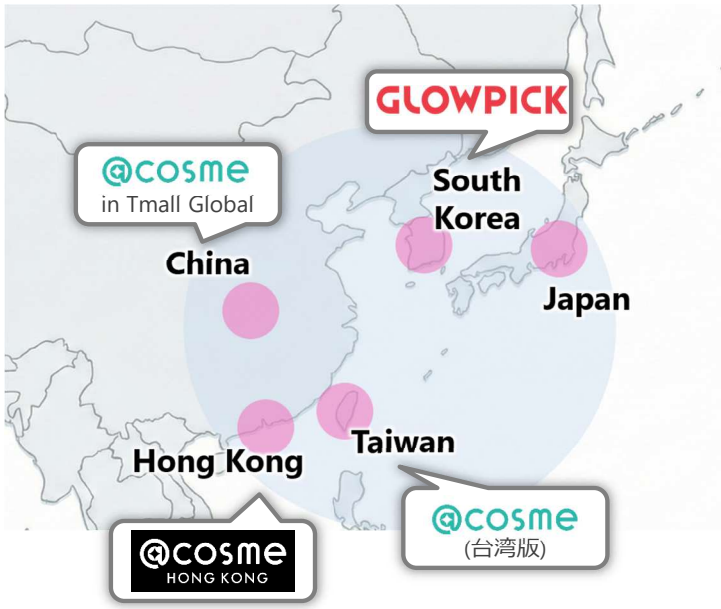
Expanding into New Areas

Establishing a New Beauty Ecosystem



Expand touchpoints beyond *@cosme*





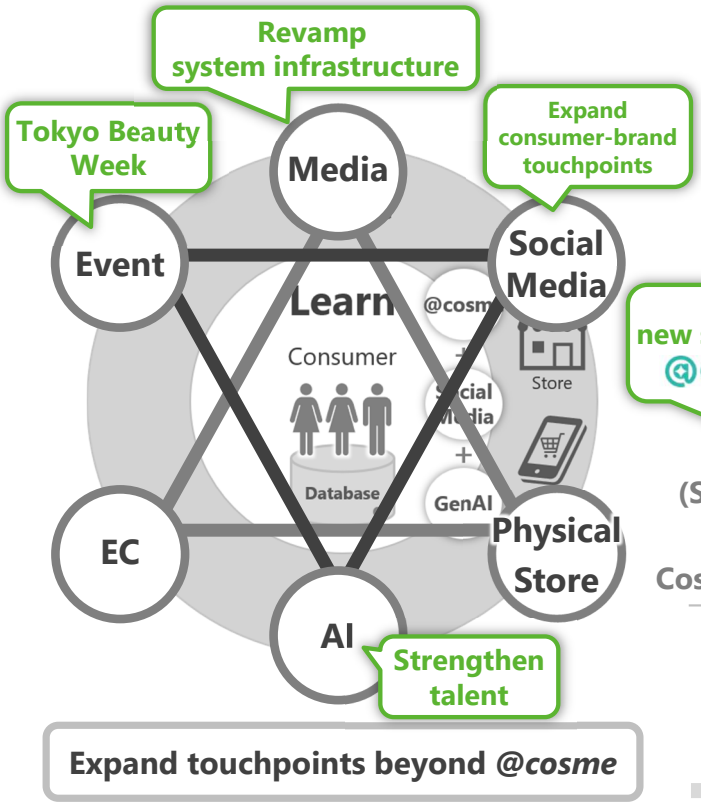
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istyle's Growth Strategy and Outlook: Key Initiatives Over the Past Year

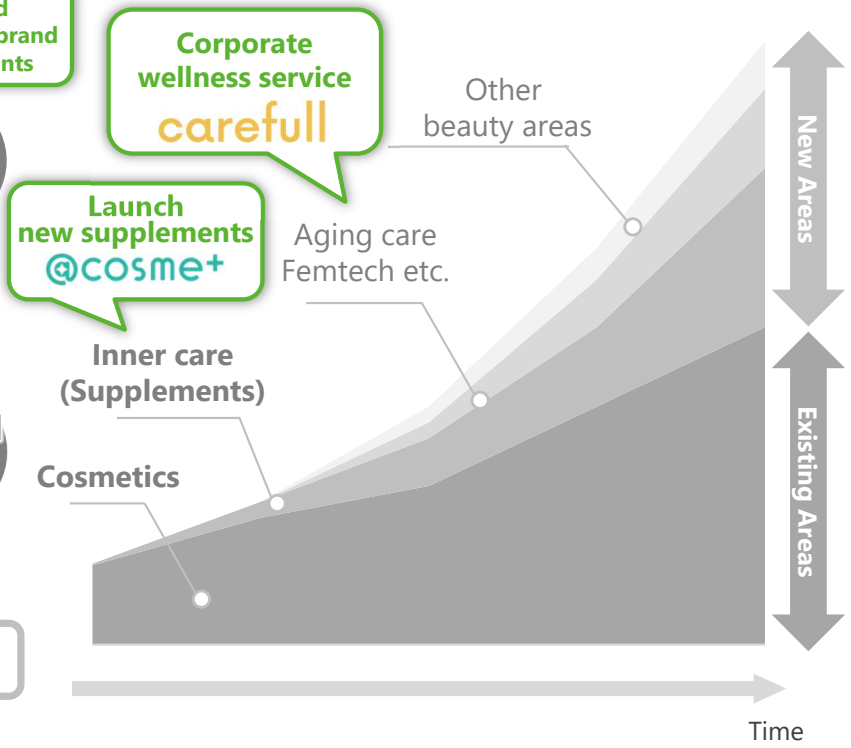
- Executing initiatives across strategic areas to build a future growth foundation, alongside talent and system upgrades.

Three Growth Strategies for istyle's Future

Updating @cosme



Expanding into New Areas



Establishing a New Beauty Ecosystem



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Major Industry Co-Creation Event: ***Tokyo Beauty Week 2026***

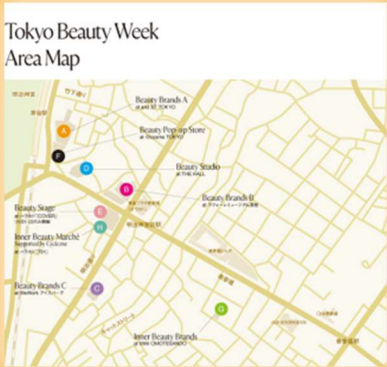
- Year 2, returning to Harajuku and Omotesando with bigger scale and richer content.

Event Overview

- Dates: Wed, Nov 18, 2026 – Tue, Nov 24, 2026 [7 days]
- Venues: Laforet Museum Harajuku / Harajuku Quest THE HALL / and ST TOKYO / WeWork Iceberg / IWAI OMOTESANDO / @cosme TOKYO, and others
- Over 35 Participating Brands.



【Major updates for 2026】



Interactive Content *Beauty Walk*

Interactive 8-venue tour exploring cosmetics, culture, and inner beauty.



Upgraded *Beauty Studio*

Expanding the hit makeup advice and photo sessions area from last year.



First-Ever *Inner Beauty* Experience

Expanded beyond cosmetics into food & wellness, offering dietitian consultations and F&B experiences.

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4-Way Strategic Alliance: ***JAPAN FOOD BEAUTY ALLIANCE*** Formed

- Co-creating food × beauty to revitalize the inner beauty market.

Alliance Overview

Background High-performance ingredients rarely reach consumers in a beauty context, despite rising interest in inner health & beauty.

Purpose **Combine 4 companies' strengths to create new value and markets connecting food, beauty, health.**

Alliance Structure & Roles of the Four Companies

istyle Inc.
Consumer insights & beauty expertise

×

dot.me Co., LTD.
Product planning & development

×

AIM SERVICES CO., LTD.
Nutritional expertise & providing food experiences

×

MITSUI & CO., LTD.
Corporate network & promoting alliance collaboration

First-Phase Initiatives of the Alliance

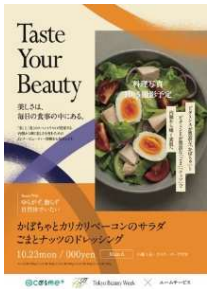
Rollout of food experiences through co-creation at *Tokyo Beauty Week 2026*



Developing & selling bottled beverages based on consumer feedback



Planning, development, and rollout of Inner Beauty menus in corporate cafeterias



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Progress on Key Global Expansion Initiatives

- Rolling out initiatives across regions to lay the foundation for overseas growth.

Hong Kong

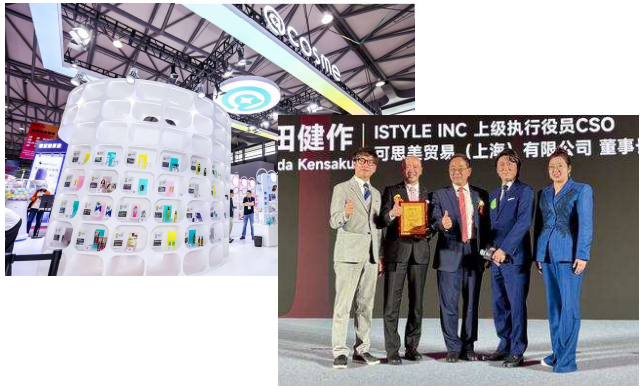


@cosme HONG KONG; A foundational base for global expansion

- ✓ Profitable immediately post-launch; targeting stable profitability in 2H FY27
- ✓ Focusing on resolving issues as a vital base for global expansion

* See P13 for details.

China



Promoting J-Beauty at Asia's largest beauty expo

- ✓ The only Japanese company to win *Global Beauty Exchange Contribution Award*.
- ✓ Launched *@cosme Experience Expo* with 11 partner brands.

Taiwan



Establishing an advanced model for global expansion through *Interactive OMO*.

- ✓ Attracted ~90K visitors over 13 days, boosting awareness mainly among Gen Z.
- ✓ Enabled personalized follow-ups through data integration with LINE.

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【Reference】A Nationwide Effort to Revitalize J-Beauty

- Public, private, and government sectors unite to strengthen J-Beauty's global competitiveness.

Government Initiatives to Revitalize J-Beauty

June 2026

METI:
Announces a target of 2 trillion JPY in overseas sales by 2033 (approx. 4x the current level)

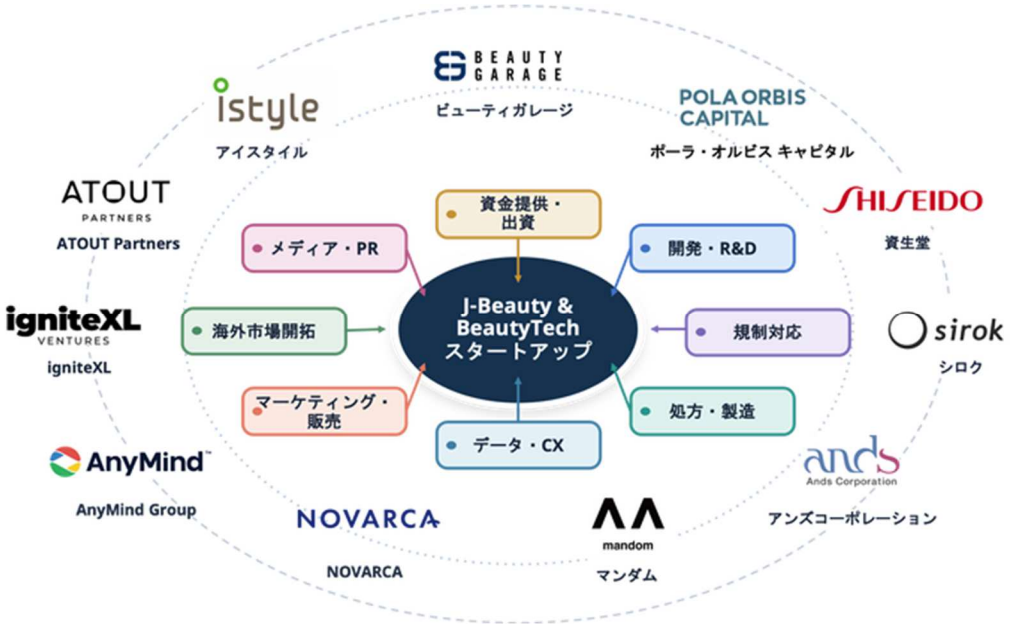
July 2026

MHLW, MIC, METI, etc.:
Announce directions for deregulation, and collaboration among relevant ministries in full swing

JFY 2027 (planned)

MHLW, etc.:
Review of the Pharmaceutical and Medical Devices Act, Fair Advertising Standards, etc.

Tokyo's Innovation Creation Project: "TiB CATAPULT"



Uniting major beauty companies, OEMs, VCs, and retailers to discover, nurture, and scale Japan-born beauty & wellness startups globally.

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Q&A

Anticipated Questions and Answers

	Anticipated Questions	Answers
Consolidated	Feasibility of Achieving Full-Year Targets	✓ Q1 trended slightly soft due to domestic stores and HK flagship. ✓ **Marketing Solution** remains solid despite brand budget shifts. ✓ HK stores challenges are clear; aiming to return to growth while monitoring measure effectiveness. ✓ Driving Group-wide productivity gains to achieve full-year targets.
Marketing Solution	Operating Profit Margin Outlook	✓ Impacted by upfront investments in shared IT infrastructure and security. ✓ **Order momentum remains strong;** margin improvement expected toward 2H.
Retail (offline)	Recent Performance of Domestic Stores	✓ **October sales rebounded to track plan at YoY +6% (incl. new stores).** ✓ **Steadily expanding domestic customer base** driving LTV (repeat visits, EC cross-buying). ✓ Enhancing in-store experiential value while monitoring external shifts (e.g., duty-free rules).
Global	Status of HK Flagship Store (*@cosme HONG KONG*)	✓ Customer traffic missed internal plan due to past promotional curbs, even after operational fixes. ✓ Resumed area marketing and SNS promotions with local HK beauty KOLs in September. ✓ Expanding awareness and improving customer experience as a core hub of our Beauty Ecosystem.

Appendix

- **Company Information**
- Segment Information
- Mid-Term Business Policy

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Company information

Corporate name	istyle Inc.
Listed stock exchange/ securities code	Listed on the Prime Market of the Tokyo Stock Exchange / 3660
Chairperson and CEO President and COO	Tetsuro Yoshimatsu Hajime Endo
Date of establishment	July 27, 1999
Headquarters	1-12-32 Akasaka, Minato-ku, Tokyo, Japan
Capital	8,990 Million JPY
Accounting period	June 30
Description of business	- Planning and operation of the beauty site *@cosme* - Provides the related advertising and marketing research services
Number of employees	1,395 (consolidated)

* Figures are as of Jun. 2026

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Main subsidiaries and affiliates

Domestic

istyle retail Inc.
Operation of Cosmetics specialty store "*@cosme STORE*" and Cosmetics specialty E-commerce "*@cosme SHOPPING*"

istyle trading Inc.
Wholesale, retail, and import/export of beauty products, and proxy services for the same

istyle career Inc.
Operating "*@cosme CAREER*", a job listing site for the cosmetics and beauty industries, and offering general worker temporary placement services

istyle me Inc.
Influencer marketing business and web advertising agency business

IS Partners Inc.
Creation, management, and editing of digital content specializing in the subject of beauty

istyle DATA CONSULTING, Inc.
Provision of data-driven solutions
Founded jointly with CX consulting firm NODE Inc.

MEDIA GLOBE CO., LTD.
PR and other communication about cosmetics to women's magazines, beauty magazines, and women's websites

Over The Border Inc.
Operation of cross-border MCN

Trenders, Inc.
Marketing business, Investment business

Overseas

istyle China Co.,Limited.
Import/export, sale, and marketing support for cosmetics manufacturers

istyle Global (Singapore) Pte. Limited
Alliances and business investments in southeast Asian countries

istyle Global (Hong Kong) Co., Limited.
Alliances, services, and business investments in Asian countries

istyle Retail (Hong Kong) Co., Limited
Shop planning, development, and operation; promotional support for the retail and logistics sectors

i-TRUE Communications Inc.
Operation of Taiwanese version of "*@cosme*"

Glowdayz, Inc.
Planning and operation of beauty platform "GLOWPICK " and provision of related advertising services

History

1999	Jul	Limited company I-Style Co., Ltd. Founded
	Dec	Launched *@cosme*, a cosmetics portal site
2000	Apr	I-Style Co., Ltd. becomes istyle Inc., a joint-stock corporation
2002	Nov	Opened cosmetics online shopping site *cosme.com*（now *@cosme SHOPPING*) and started operating of E-Commerce
2007	Mar	Opened first *@cosme STORE* in Shinjuku Lumine Est, Tokyo by cosme next co.,Ltd.
2008	Jan	Launched online recruitment website *@cosme CAREER*
2010	Sep	cosme next Co., Ltd. becomes a wholly owned subsidiary
2012	Mar	istyle Inc. went public on the Tokyo Stock Exchange Mothers market
	Aug	Established istyle Global (Singapore) Pte. Limited in Singapore
	Oct	Established istyle China Co., Limited in China
	Nov	Alteration of listing market from Mothers to Tokyo Stock Exchange First Section
2014	Dec	Established istyle trading, Inc. to begin overseas E-Commerce and wholesale business in January 2015
2015	Jul	Established istyle career Inc., a recruitment company specializing in the cosmetics and beauty businesses
	Sep	Acquired Media Globe Co., Ltd., a cosmetics PR firm (made wholly owned subsidiary via share swap in June 2018).
2016	Mar	Established IS Partners Inc.
	Oct	Established istyle Retail (Hong Kong) Co., Limited
2017	May	Acquired shares in i-TRUE Communications Inc., which operates beauty portal site in Taiwan, and made it a subsidiary
		Established istyle USA Inc., through which company acquired U.S. beauty portal site MUA Inc. and made it a subsidiary in July
	Jun	Raised approximately ¥3.6 billion by the issue of new shares by international offering
2020	Jan	Opened *@cosme TOKYO*, the 1st flagship store in TOKYO's Harajuku.
	Nov	Raised approximately ¥2.1 billion by the issue of new shares by third-party allotment
2022	Apr	Moved to Tokyo Stock Exchange Prime market
	Aug	Capital and business alliances with Amazon.com, Inc. and Mitsui & Co.
	Sep	Raise ¥5 billion through convertible bonds
2023	Sep	Opened *@cosme OSAKA*, the 2nd flagship store in OSAKA's Umeda.
2024	Feb	Capital and business alliances with Trenders, Inc.
2025	Apr	Established istyle Data Consulting Inc. with CX consulting firm NODE Inc. to provide data-driven solutions.
	Jun	Opened *@cosme NAGOYA*, the 3rd flagship store in Aichi's Nagoya.
	Dec	Opened *@cosme HONG KONG*, the 1st overseas flagship store in Tsim Sha Tsui.

Award History (Extract)

Nikkei Inc.
2002 Nikkei Internet Award
(Business Category)

World Economic Forum
2014 Global Growth Company

Organization for Small & Medium Enterprises and Regional Innovation
2003 Japan Venture Award

Forbes JAPAN WOMEN AWARD
2017 Forbes Japan Women Award
(Grand-Prix 2nd Place)

50 | Technology Fast 50 2017 Japan WINNER Deloitte.
2014-2017 Japan Technology Fast50



2018 Philip Kotler Award Japan

PORTER PRIZE
2014 Michael Porter Prize Japan

World Assoc. of Overseas Jap. Entrepreneurs
2019 Global Business Award
(Grand-Prix)

GOOD DESIGN AWARD
2014 Japan Good Design Award
(Business Model Category)



2020-2021 Rakuten Shop of The Year
(Beauty Category)

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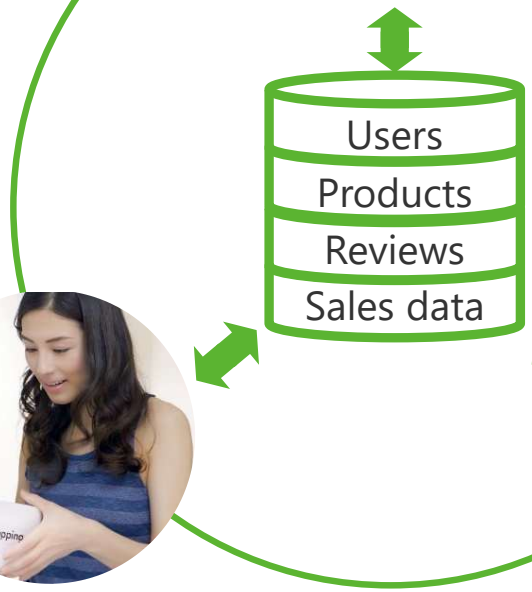
Utilized consumer data to build Japan's No. 1 beauty platform



No.1 in Online Media

MAU: 15 million

Used every month by many women in their 20s and 30s



@cosme SHOPPING

No.1 in E-commerce

53,000 SKUs.



@cosme STORE

No.1 in Physical Store

Domestic physical stores: 37

(As of Oct. 2026)

* Figures are as of Jun. 2026

© istyle Inc.

Japan’s largest level comprehensive beauty site *@cosme*

- *@cosme* is one of the Japan’s largest comprehensive beauty site supported not only by users, but many other stakeholders (e.g. brands) as well.





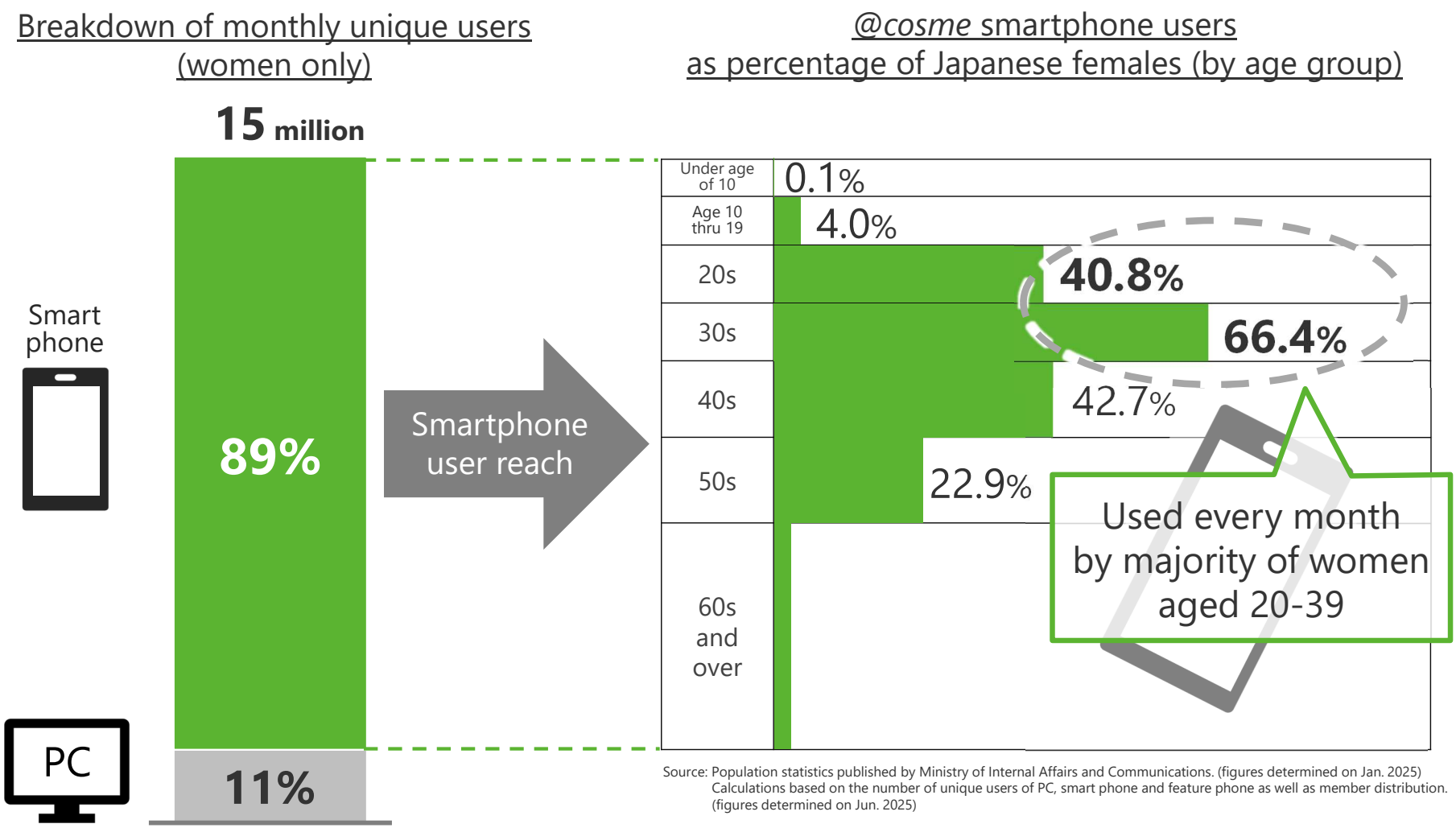
Used every month by many women in their 20s and 30s	Mainly women aged 20 – 39 who are sensitive to beauty trends	Covers almost every brand marketed in Japan	Expanding beyond cosmetics into all beauty-related categories	Japan’s leading site specializing in beauty with largest number of reviews
Monthly unique users	**Registered members**	**Registered brands**	**Registered products**	**Registered reviews**
15 million	**11.6 million**	**47 thousand**	**440 thousand**	**24 million**

* Figures are as of Jun. 2026

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@cosme / Overwhelming usage ratio by female members

- Roughly 15 million monthly unique users use *@cosme* portal site. (As of Jun. 2026)
- Massive reach among Japanese female members in their 20s and 30s.



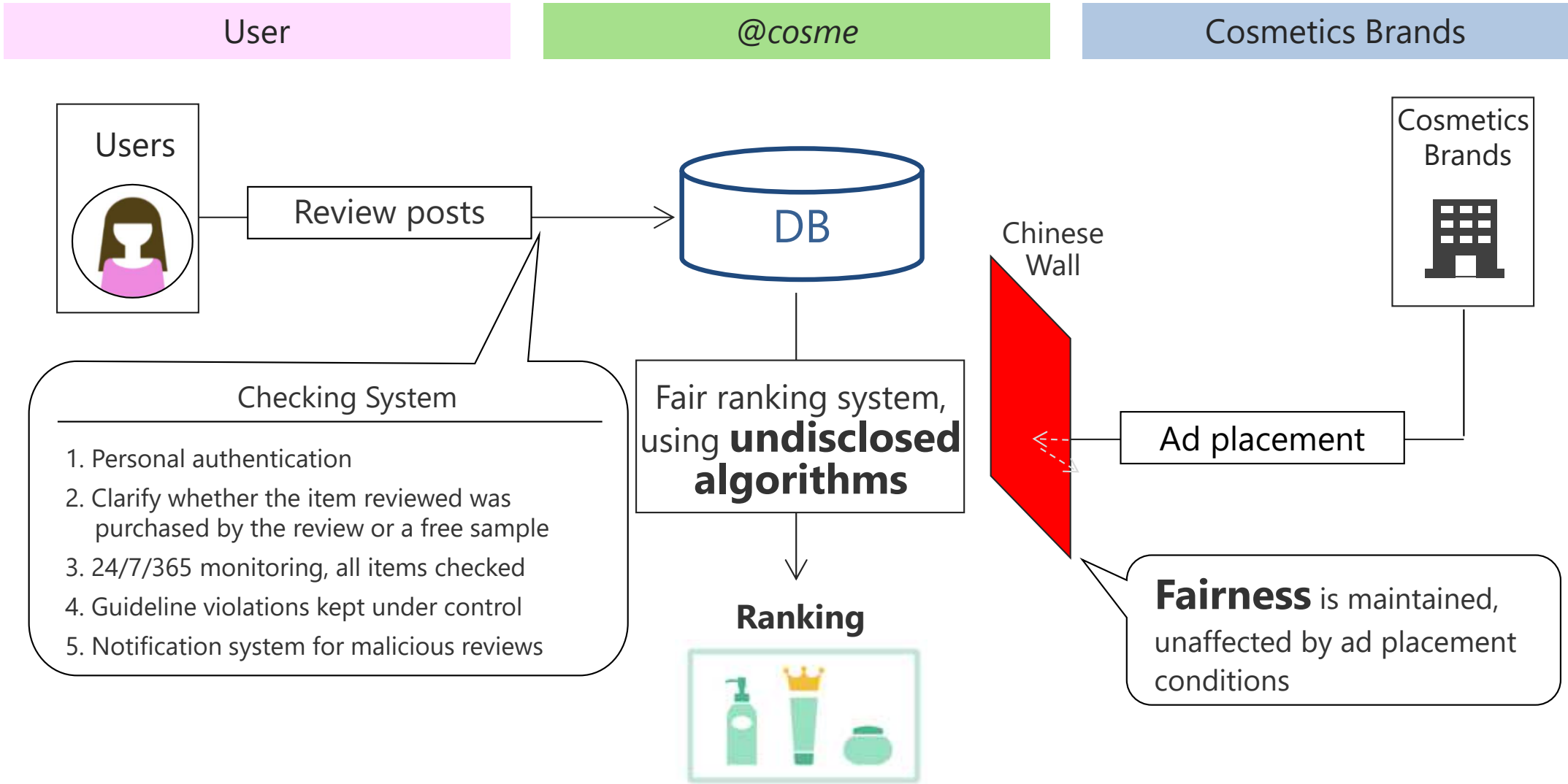
Source: Population statistics published by Ministry of Internal Affairs and Communications. (figures determined on Jan. 2025)
Calculations based on the number of unique users of PC, smart phone and feature phone as well as member distribution. (figures determined on Jun. 2025)

* Width of bars representing age groups indicates the population of each group

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Database soundness

- Each measure ensures that the database is sound



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SUSTAINABILITY MATERIALITY - Main Efforts

Materiality 01

Trusted platforms

- Operate sound and independent review media (*@cosme* Declaration)
- Strengthen information security
- Create new value through IT (DX promotion/database)

Declarations

1. Declaration 1: We work to help consumers find better ways to encounter beauty information.
2. Declaration 2: We maintain a fair and independent stance.
3. Declaration 3: We respect the opinions of *@cosme* members to the maximum extent possible.
4. Declaration 4: We operate the site with a high degree of transparency.
5. Declaration 5: We do not allow coerced posts or intentional manipulation of ratings.
6. Declaration 6: We comply with our legal and social responsibilities.

Materiality 02

Co-creation through partnership

- Foster awareness of sustainability among consumers
- Strive toward a recycling-oriented society with cosmetics brands

(Show consideration for the environment by promoting recycling and reducing packaging materials.)

BEAUTY SDGs WEEK
powered by *@cosme*

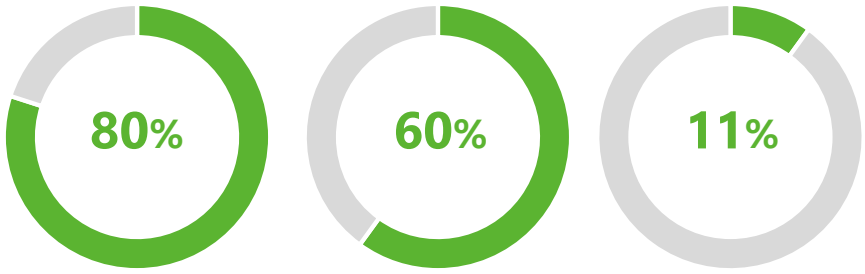
In order to realize a sustainable society, events will be held to increase awareness of sustainable activities of partner companies and increase the number of people interested in SDGs through the *@cosme* platform.



Materiality 03

Talent empowerment

- Provide various options for ways to work (WFH/childcare leave)
- Substantial HR training system that promotes career development
- Promote diversity in human resources



Female employees　Female managers　Foreign employees

Materiality 04

Enhancement of governance

- Strengthen corporate governance
- More thorough compliance (educating employees about laws and social ethics)
- Formulate business continuity plan (BCP)



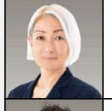
Female officers　Independent officers

* Each numerical value is as of Jun. 2026 (The ratio of each board member as of Sep. 2026)

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Management Team and Skill Matrix (as of Sep. 2026)

- Management team structured around skills essential for achieving mid-term business goals (For details and rationale)

	Position/ Name	Term Of office	Among skills held by each officer, the Company has particular expectations for the below														Attributes	
			Strengthening the management foundation						Maximizing the value of platform				Expanding business domains				Independence	Female
			Management experience	Corporate governance	Sustainability	Human capital management	Finance	Accounting /tax affairs	Cosmetics	Internet	Advertising /promotion	Retail /distribution	DX/AI	Innovation	M&A	International business		
Directors	 Representative Director, Chairperson, CEO **Tetsuro Yoshimatsu**	27y 2m	●	●		●	●		●	●	●	●	●	●	●			
	 Representative Director, President, COO **Hajime Endo**	4y 0m	●			●			●		●	●	●	●	●	●		
	 Director, Vice Chairperson, CFO **Kei Sugawara**	25y 0m	●	●	●	●	●		●	●	●		●	●	●	●		
	 Director **Meyumi Yamada**	27y 2m	●	●	●	●			●	●	●		●	●	●	●		●
	 Director (Outside) **Michimasa Naka**	12y 0m	●	●	●	●	●								●	●	●	
	 Director (Outside) **Shinsuke Usami**	5y 0m	●	●	●	●	●			●	●		●	●	●		●	
	 Director (Outside) **Hikari Kanokogi**	2y 0m	●	●	●	●						●				●	●	●
	 Director (Outside) **Mie Miura**	1y 0m					●	●	●			●			●	●	●	●
Auditors	 Auditor (Outside) **Hitoshi Hara**	18y 7m		●		●	●	●	●						●		●	
	 Auditor (Outside) **Kenji Miyako**	20y 7m	●	●			●	●							●		●	
	 Auditor (Outside) **Junko Kotakemori**	3y 0m		●			●	●							●	●	●	●

Overview of Human Capital Management

- The purpose of our human capital management is "To foster people who continue to update the world of BEAUTY, becoming a company that is consistently chosen."

№	Purpose	Topic	Issues (Focus Points)	Countermeasures		Indicators
1	Mission: To update the world of beauty while bringing happiness to many Human Resources Strategy Theme: Become a company chosen by people with a strong desire to grow Human Resources Strategy: ・Commit to the growth of our people ・Awareness Management	**Foster a culture of growth and challenge**	・Present clearer role models ・Reform management-level work styles (with a desirable and achievable work-life balance)	・Facilitate challenge within the Hands-Up system ・Foster forums to celebrate challenges	・Hands-Up (a system that enables growth at any age) ・7iAward (internal award system) ・Interaction with external personnel ・Joint workshops	・Ratio of those who think that the Company offers opportunities for growth ・Ratio of those who are motivated to develop themselves ・Ratio of people willing to take on higher positions and positions of responsibility ・Ratio of people who feel job satisfaction and worthwhile
2		**Support work styles in accordance with stages of life that encourage job satisfaction**		・Diversify work styles ・Health management		・Ratio of those who think that people around them have a good understanding of work-life balance, such as taking leave
3		**Co-create within different fields and industries**	・Create opportunities to gain diverse experiences that develop autonomous human resources in the age of VUCA ・Create opportunities to embrace and co-create with different industries and cultures	・Gain experience in multiple fields (From user and brand perspectives, both in-person and on the Internet) ・Establish a way to learn about others' experience ・Experience co-creation with other departments and companies (horizontal collaboration projects, community participation)		・Ratio of people who think that our strength lies in the horizontal collaboration among multiple departments
4		**Foster leaders who will lead the future with new values**	・Cultivate autonomous business producers in an era with no right answers ・Provide an environment that encourages employees to promptly and easily take on challenges ・Develop autonomous human resources who can take on challenges without fear of failure and apply what they learn to the next opportunity	・Reform our management model (from managers to coaches) ・Introduce a training program to raise awareness ・Select young project leaders		・Ratio of participants in training programs ・Number of coach-type management that discover and cultivate autonomous human resources *Since it is in parallel with measures, indexing and management will be implemented in the future.

For more details, please refer to *the Integrated Report 2026*: https://ssl4.eir-parts.net/doc/3660/ir_material14/286304/00.pdf

DE&I (Diversity, Equity, and Inclusion)

- To navigate a complex society, we offer systems that support “individualized ways of working” and “promote growth through self-driven choices.”

"iselect": a system enabling everyone to thrive, regardless of gender or life stage.

Focusing on maximizing individuality and synergy among employees to drive new value creation.
As a result, the key indicators are as follows:

(As of June 2026)

Ratio of Female Employees	:	**80%**
Ratio of Female Managers	:	**60%**
Workplace Return Rate for Women After Maternity Leave	:	**100%**
Paternity Leave Utilization Rate for Men	:	**100%**

Co-creation beyond disabilities

In departments with employees with disabilities, we promote work sharing in collaboration with the entire company. Currently, these employees are responsible for **90 tasks across 20 departments** within the group.

In recognition of these initiatives, we received the Grand Prize in the "Leveraging Differences as Strength" category at the HR’s SDGs Award 2026.

iselect

Support individualized ways of working	Foster growth through self-driven choices
• Full Flex-time Work • Work from Home • Caregiving and Nursing Leave • Maternity and Parental Support • Reproductive Health Support	• Permission for Side Jobs • Self-Development Leave • Language Learning Expense Support • Volunteer Leave

Ranked 21st in the "Women’s Empowerment Companies Ranking" by Toyo Keizai

As a result of our ongoing efforts, we were ranked 21st overall out of 30,000 companies in the "Women’s Empowerment Companies" ranking announced by Toyo Keizai in May 2024. Particularly, we were ranked 3rd in the information and communications industry and 4th in the cosmetics industry (chemical sector), receiving high praise across various industries.

* For more details, please refer to our company website: https://www.istyle.co.jp/news/info/2024/05/0530.html (Japanese text only)

Overview of Climate Change Initiatives

- Aiming for a carbon-neutral society, we are focusing on climate change initiatives across the entire company.

<Risks and Opportunities>

Classification Based on TCFD Recommendations			Potential Risks and Opportunities (Items in bold are qualitatively recognized as important)
Risks	Transition Risks	Policies (Regulations)	Increased financial burden due to the introduction of a carbon tax Soaring unit prices of materials such as promotional materials due to tighter plastics regulations
		Laws	- (No specific risks related laws are expected due to the nature of the business)
		Technologies	Increased costs due to increased demand for renewable energy
		Markets	**Changes in procurement terms and conditions due to rising raw material costs**
		Reputation	Loss of sensitive customers due to delays in response (consumers and cosmetics manufacturers)
	Physical Risks	Acute	**Frequent natural disasters (typhoons, floods) resulting in** **・Suspension of store operations and in-store events** **・Risk of delayed delivery in e-commerce** **Opportunity loss due to supply chain stagnation** **(delayed delivery of purchased goods, e-commerce sales, etc.)**
		Chronic	Decreased opportunities to go outside due to higher average temperatures leading to decreased opportunities to wear makeup
Opportunities	Resource Efficiency		Reduced and streamlined packaging materials, etc., in response to increased consumer awareness of the environmental
	Energy Sources		- (No specific opportunities related laws are expected due to the nature of the business)
	Products and Services		**Increased sales through services tailored to changing customer preferences (ethical consumption)**
	Markets		**Increased demand for e-commerce due to decreased opportunities to go out** **Growing health awareness among consumers**
	Resilience		Diversified risks through the operation of multiple businesses in addition to the acquisition of flexible demand

<CO_2 emission>

(Unit: t-CO^2)	FY24	FY25	2030 Target
Scope1	0	0	0
Scope2 (Market Criteria)	362	428	300
Scope2 (Location Criteria)	376	430	300
Scope3	219,192	288,030	-
Category 1	111,932	142,927	-
Category 2	5,932	10,634	-
Category 3	109	87	-
Category 4	4,568	5,177	-
Category 5	2	94	-
Category 6	241	295	-
Category 7	177	155	-
Category 9	94,955	126,512	-
Category 11	781	1,531	-
Category 12	467	590	-
Category 14	28	28	-

For more details, please refer to *the Integrated Report 2026*: https://ssl4.eir-parts.net/doc/3660/ir_material14/286304/00.pdf

Appendix

- Company Information
- **Segment Information**
- Mid-Term Business Policy

Our business portfolio

- Cross-platform marketing measures (Media, E-commerce, Physical Stores)

Tie-up Ads

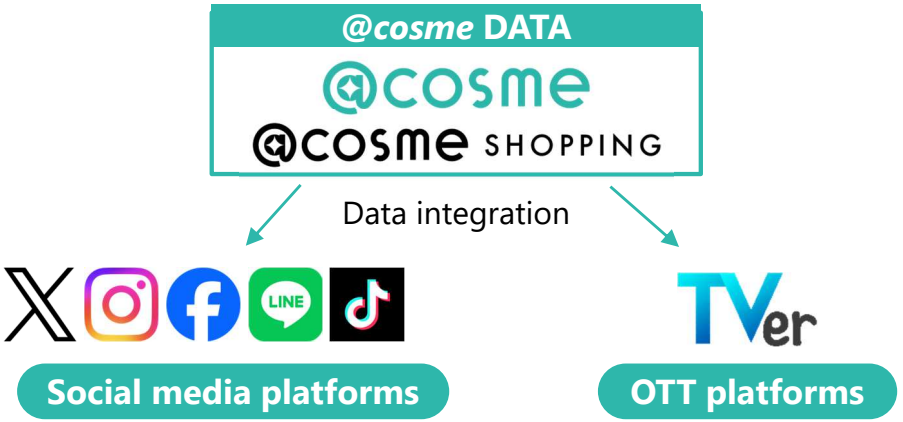
Branding ads for deep consumer insight





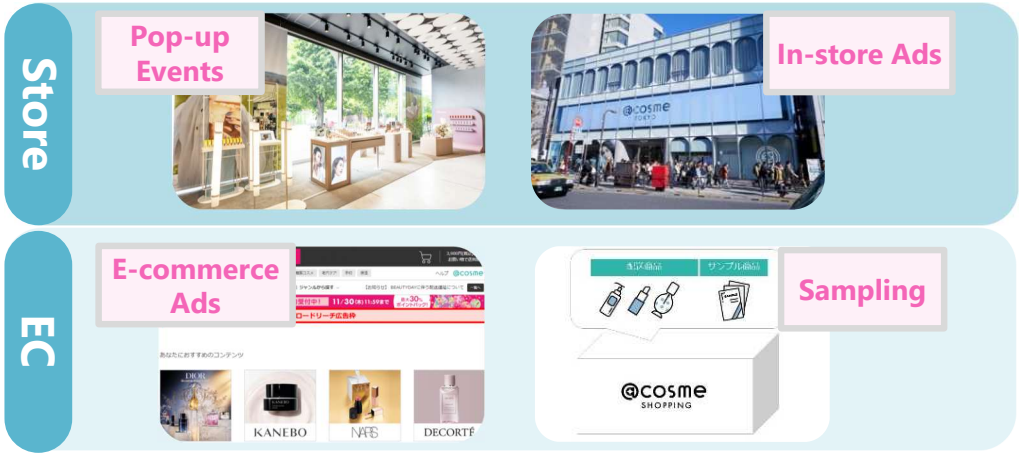
SNS / OTT integration

Fact-based targeting for beauty-interested users



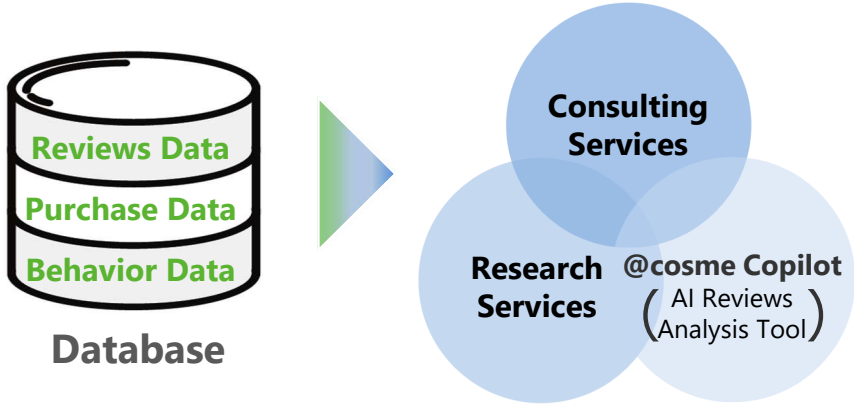
Retail media

Sales promotion services via EC and physical stores



Data-driven Solutions

Data-driven marketing powered by *@cosme*'s proprietary assets



Our business portfolio

- Become operator of service businesses that **utilize *@cosme***

Offline retail (retail stores)

Has become Japan's leading cosmetics retail group by operating cosmetics retail stores *@cosme TOKYO, @cosme STORE* that utilize *@cosme* data in merchandising, etc.

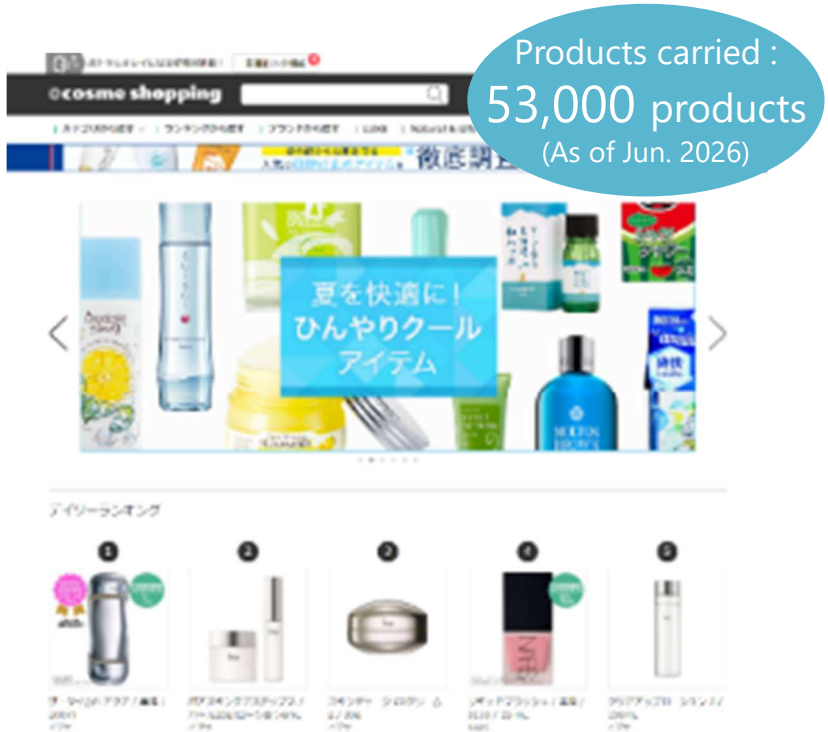
Total 37 stores

(As of Oct. 2026)



Online retail (E-commerce)

Operate cosmetics E-Commerce sites *@cosme SHOPPING* linked to *@cosme*



Retail
(Online / Offline)

Store List (Domestic: 37 stores / Overseas: 4 stores) *As of Oct. 2026

Flagship stores : 3stores

Kanto	@cosme TOKYO	Opened in Jan. 2020 Expansion in Mar. 2025	1,380㎡
Chubu	@cosme NAGOYA	Opened in Apr. 2017 Expansion in Jun. 2025	810㎡
Kinki	@cosme OSAKA	Opened in Mar. 2017 Expansion in Sep. 2023	893㎡

@cosme STORE (27 directly managed stores, Japan)

Hokkaido	Stellar place Sapporo store	Opened in Oct. 2024	460㎡
	TSUTAYA Sapporo Utsukushigaoka store	Opened in Sep. 2016	234㎡
	TSUTAYA Hakodate store	Opened in Nov. 2016	264㎡
Kanto	Aeon Mall Takasaki store	Opened in Oct. 2006 Expansion in Apr. 2020	254㎡
	Lumine Omiya store	Opened in Mar. 2018	241㎡
	Lalaport Fujimi store	Opened in Mar. 2018	244㎡
	AEON MALL Urawamisono store	Opened in Mar. 2012 Renewal in Jul. 2024	255㎡
	Lumine Est Shinjuku store	Opened in Mar. 2007 Renovated in Sep. 2016	238㎡
	Ueno Marui store	Opened in Nov. 2008 Expansion in Feb. 2017	350㎡
	Lumine Ikebukuro store	Opened in Apr.2012	333㎡
	Ikebukuro Sunshine city store	Opened in Oct. 2016	162㎡
	Lumine Yurakucho store	Opened in Feb. 2014 Expansion in Sep. 2026	336㎡
Kanto	SYDNEY by *@cosme* atré Kameido store	Opened in Oct. 1978 Renewal in Sep. 2024	129㎡
	NEWoMan Takanawa store	Opened in Sep. 2025	470㎡
	Kinshicho Tel Mina store	Opened in Mar. 1995 Renewal in Apr. 2026	298㎡
	Mizonokuchi Marui Family store	Opened in Oct. 2015	271㎡
	NEWoMan Yokohama store	Opened in Jun. 2020	323㎡
	Lumine Yokohama store	Opened in Sep. 2022	349㎡
Chubu	mozo wonder city store	Opened in Dec. 2025	348㎡
	Maroot Toyama store	Opened in Sep. 1987 Expansion in Mar. 2022	227㎡
	Aeon Mall Takaoka store	Opened in Sep. 2002 Expansion in Sep. 2019	240㎡
	Kanazawa Forus store	Opened in Dec. 2024	374㎡
Kinki	KYOTO KAWARAMACHI OPA store	Opened in Oct. 2026	265㎡
	TSUTAYA EBISUBASHI store	Opened in Nov. 2014	297㎡
Kyushu	Kobe Marui store	Opened in May 2016	162㎡
	Amu Est Hakata store	Opened in Mar. 2017 Expansion in Aug. 2024	419㎡
	TSUTAYA Kumamoto Sannenzaka store	Opened in Jun. 2016	228㎡

東京小町 (2 directly managed stores, Japan)

*Consolidated from Q2 FY23

Kanto	Tokyo Komachi LAZONA Kawasaki store	Opened in Sep. 2006	179㎡
	Tokyo Komachi LaLaport TOYOSU store	Opened in Oct. 2006	202㎡

COSMETICS SYDNEY (3 directly managed stores, Japan)

*Consolidated from Q1 FY24

Kanto	SYDNEY/ATELIER ALBION atré Kichijoji store	Opened in Dec. 1969 Relocated in Dec. 2010	59㎡
	SYDNEY Kitasenju store	Opened in Mar. 1985 Relocated in Jul. 2009	162㎡
	SYDNEY Koiwa store	Opened in Jul. 1972 Relocated in Mar. 2022	98㎡

@cosme STORE (2 franchise stores)

Kinki	MiSUGI KEIHAN CITY MALL store	Franchised in Mar. 2022	137㎡
	MiSUGI NAMBA WALK store	Franchised in Sep. 2023	289㎡

Overseas Flagship stores : 1store

Hong Kong	@cosme HONG KONG	Opened in Dec. 2025	1,298㎡

@cosme STORE (2 directly managed stores, overseas)

Hong Kong	Langham Place store (Mong Kok)	Opened in Oct. 2019	188㎡
	Lee Theatre store (Causeway Bay)	Opened in Dec. 2019	231㎡

@cosme STORE (1 duty free shop, overseas) *1

China	Haikou International Duty Free City store (Hainan Island)	Opened in Oct. 2022	291㎡

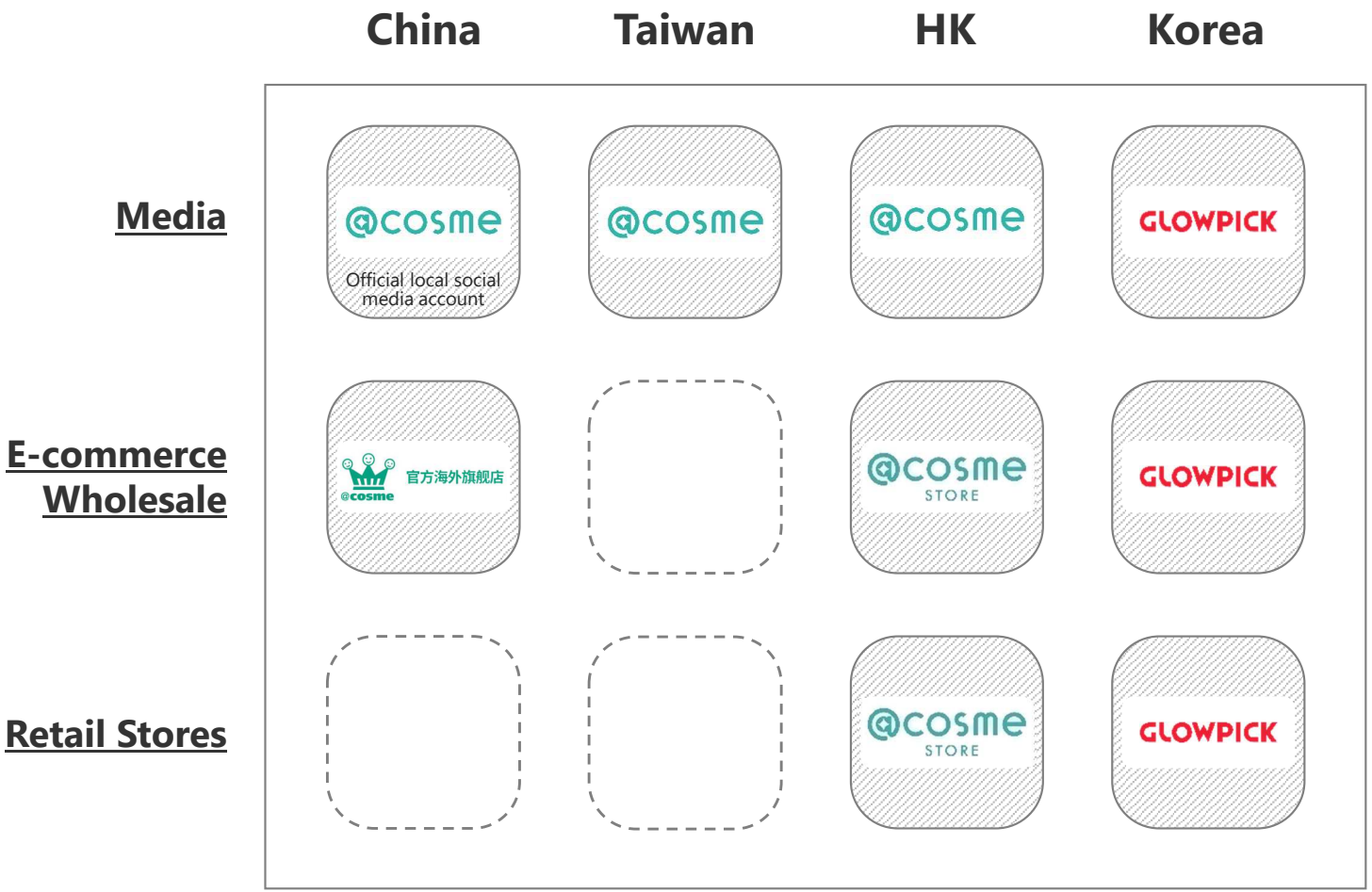
*1 The products are not sold in this store but are purchased online by scanning the QR code in the product description of the displayed products.

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Global

Our business portfolio

- Adapt and extend the business model established in Japan to align with the conditions of each country and region.



* Consolidated basis (does not include minor investments and business alliances)

Appendix

- Company Information
- Segment Information
- **Mid-Term Business Policy**

Overview of Mid-term Business Policy (Formulated in FY25)

- **Formulated a business policy for the next four to five years.** Aim for **further growth and business domain expansion** as a unique, one-of-a-kind platform provider in the beauty industry.

Mid-term Business Policy

<Existing Businesses>

✓ Increase points of contact between users and brands in Retail business (BtoC), and **monetize these points of contact and data in Marketing Solution business** (BtoB)**.**

<New Businesses>

✓ **Launch into other beauty categories beyond cosmetics** (health foods / aesthetic medicine, etc.)**.**

Mid-term Business Targets

<Net Sales>

100 billion JPY

<Operating Profit>

8 billion JPY

<Growth>

CAGR for Net Sales

12-15%

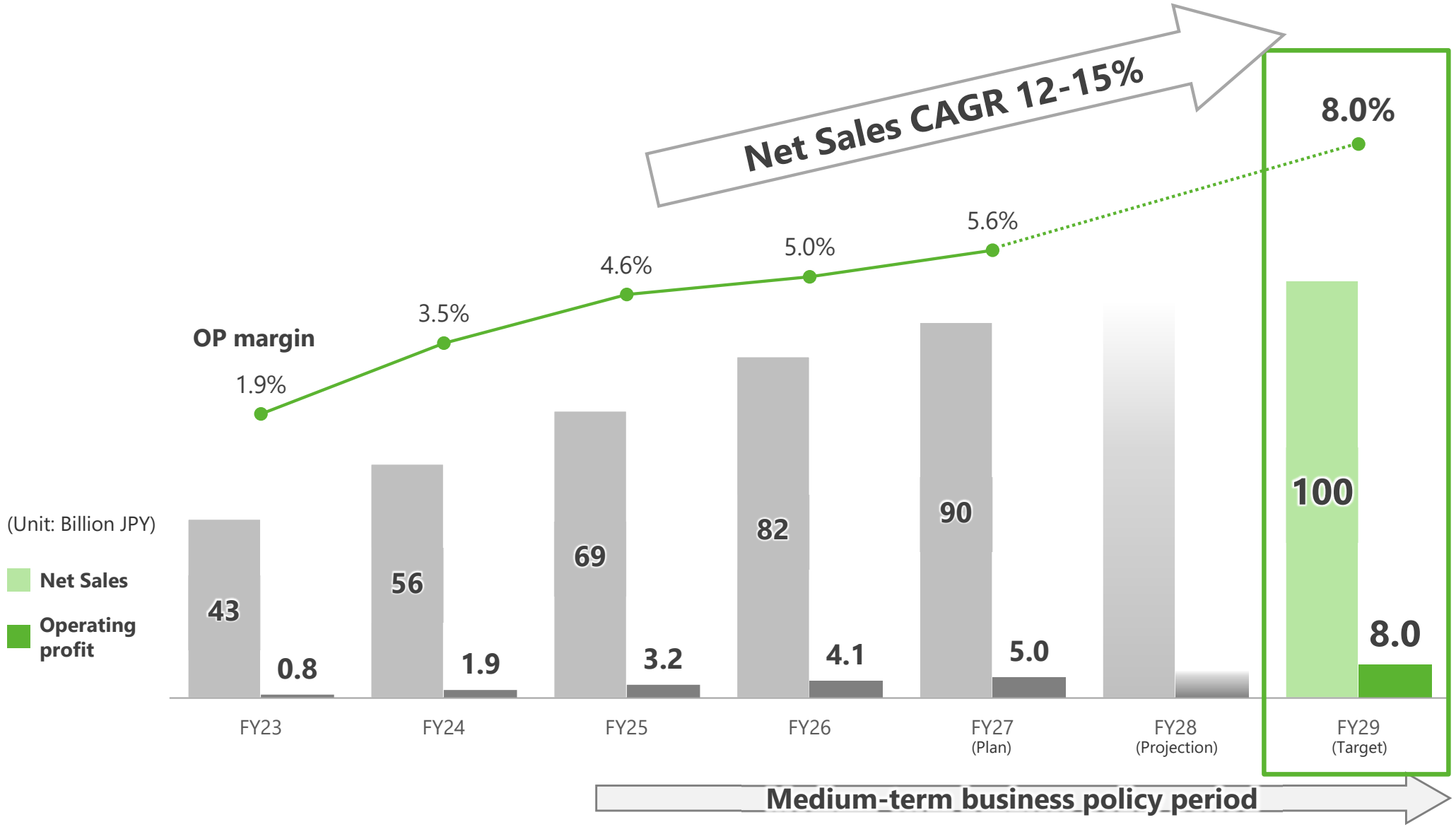
<Capital Profitability>

ROE exceeding cost of equity

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Mid-term Business Targets (Financial Targets, Growth)

- **In addition to continuous increase in sales and profit, raise consolidated OP margin**, with strong foundation of businesses in Japan as the core.
- Target period for this goal is set at a range of 4 to 5 years, in light of the fact that new store openings are affected by external factors and that new businesses require careful consideration.



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Mid-term Business Targets (Capital Profitability)

- **Aim for capital profitability that exceeds cost of equity** in line with TSE's *Action to Implement Management that is Conscious of Cost of Capital and Stock Price.*

<Assumed Cost of Equity>
(As of June 2026)

CAPM 12-13%

Formula: rf + β * MRP + SRP

rf	:	2.7 %
β	:	1.1
MRP	:	6.0 %
SRP	:	2-3 %

<

<Capital Profitability>

ROE

(FY26: 15.6%)

rf (risk-free rate): 10-year government bond yield as of June 30, 2026
β (equity beta): 2-year weekly basis
MRP: Market risk premium
SRP: liquidity taken into account based on market capitalization as size risk premium
* MRP and SRP are estimates based on dialogue with shareholders and investors.

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Shareholder Return Policy

- Advance capital policies flexibly balancing financial health to maximize TSR.

Shareholder Return Policy

- ✓ **Plan to raise FY27 dividend from ¥1 to ¥2** as profit generation stabilizes
- ✓ **Increase stable shareholders** by attracting investors who do not invest in companies that do not pay dividends **and reduce stock price volatility** (= reduce cost of capital).
- ✓ **Return to shareholders mainly through medium- to long-term stock price increases due to business growth.**



istyle

MARKET DESIGN COMPANY

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