



東京生活館株式会社

Tokyo Lifestyle's Hong Kong Subsidiary Enters into US\$0.96 Million Loan Agreement with Principal Executive Officer

March 2, 2026

Tokyo, Japan, March 02, 2026 (GLOBE NEWSWIRE) -- Tokyo Lifestyle Co., Ltd. ("Tokyo Lifestyle" or the "Company") (Nasdaq: TKLF), a retailer and wholesaler of Japanese beauty and health products, sundry products, luxury products, electronic products, collectible cards, trendy toys as well as other products in Hong Kong, Japan, North America, Thailand, Vietnam, the United Kingdom and Australia, today announced that Mr. Mei Kanayama, its Representative Director and Principal Executive Officer, entered into a five-year loan agreement for HKD 7.5 million (approximately US\$0.96 million) (the "Loan Agreement") with its wholly-owned Hong Kong subsidiary, Tokyo Lifestyle Limited ("TLS"), on February 19, 2026, to support TLS's working capital and operational needs.

Pursuant to the Loan Agreement, TLS will receive the loan from Mr. Mei Kanayama on February 28, 2026, with a term running from February 1, 2026 to January 31, 2031. Repayment will follow a schedule mutually agreed upon by both parties. TLS will pay interest on each annual repayment date until all principal and accrued interest are fully repaid. Any outstanding principal and remaining interest will be settled in a lump sum on the final repayment date. The annual interest rate is 4.35%, which is favorable compared to prevailing commercial lending rates in the current high-interest-rate environment.

The Hong Kong retail market is returning to a steady recovery trajectory. According to a recent report by Deloitte China, Hong Kong's retail sales are expected to increase by nearly 8% year-on-year, reaching HK\$410 billion (approximately US\$52.41 billion) in 2026, following a notable rebound in the second half of 2025. Within this total, the pharmaceuticals and cosmetics sector is projected to grow by 11%.

Against this backdrop, TLS anticipates that the funding from Mr. Mei Kanayama will replenish its operating capital, enabling the continued execution of its strategic initiatives and expansion plans. This is expected to further strengthen its market presence and sales network, which extend into surrounding markets such as Macau and Mainland China.

Mr. Mei Kanayama commented: "As a core shareholder and executive of Tokyo Lifestyle, I am committed not only to leading the Company's daily operations but also to demonstrating my commitment to TLS's continued growth through concrete actions. This loan to TLS reflects my confidence in the Company's future prospects, business model, and financial position.

"As macroeconomic conditions show signs of improvement and local markets begin to recover, TLS's solid operational capabilities and extensive retail network position it well for further growth. Alongside the warming external environment, spending by both local consumers and returning tourists may gradually increase. This trend is particularly supported by the strengthening RMB, which could potentially support sales of beauty and health products. Under such macroeconomic tailwinds, TLS's existing business positioning is poised to pursue sustainable growth and further expansion.

"Although the positive impact of macroeconomic improvements on the retail sector tends to emerge gradually, it is essential to prepare in advance, particularly in terms of capital. This preparation allows TLS to seize market opportunities and remain aligned with broader market momentum through well-planned marketing initiatives and effective execution.

"Moreover, TLS's ongoing efforts to enhance omnichannel integration, optimize its store network, and elevate the overall shopping experience all require sustained and stable financial support to ensure continued progress and long-term competitiveness.

"I believe this personal funding will strengthen TLS's financial position and support its ability to pursue strategic initiatives and capture potential opportunities as market conditions evolve. This commitment underscores my belief in TLS's fundamentals and long-term growth potential, and I look forward to achieving new milestones together with our team."

About Tokyo Lifestyle Co., Ltd.

Headquartered in Tokyo, Japan, Tokyo Lifestyle Co., Ltd. (formerly known as Yoshitsu Co., Ltd) is a retailer and wholesaler of Japanese beauty and health products, sundry products, luxury products, electronic products, collectible cards, trendy toys, and other products in Hong Kong, Japan, North America, Thailand, Vietnam, the United Kingdom and Australia. The Company offers various beauty products (including cosmetics, skincare, fragrance, and body care products), health products (including over-the-counter drugs, nutritional supplements, and medical supplies and devices), sundry products (including home goods), collectible cards and trendy toys (including Pokémon cards, BE@RBRICK and other trendy products) and other products (including food and alcoholic beverages). The Company currently sells its products through directly-operated physical stores, through online stores, and to franchise stores and wholesale customers. For more information, please visit the Company's website at <https://www.ystbek.co.jp/ir/library/>.

Forward-Looking Statements

Certain statements in this press release are forward-looking statements, within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended, and as defined in the U.S. Private Securities Litigation Reform Act of 1995. These forward-looking statements involve known and unknown risks and uncertainties and are based on current expectations and projections about future events and financial trends that the Company believes may affect its financial condition, results of operations, business strategy, and financial needs. Investors can identify these forward-looking statements by words or phrases such as "may," "will," "expect," "anticipate," "aim," "estimate," "intend," "plan," "believe," "potential," "continue," "is/are likely to," or other similar expressions. The Company undertakes no obligation to update forward-looking statements to reflect subsequent events or circumstances, or changes in its expectations, except as may be required by law. Although the Company believes that the expectations expressed in these forward-looking statements are reasonable, it cannot assure you that such expectations will turn out to be correct, and the Company cautions

investors that actual results may differ materially from the anticipated results and encourages investors to review other factors that may affect its future results in the Company's filings with the U.S. Securities and Exchange Commission.

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