



東京生活館株式会社

Tokyo Lifestyle Secures US\$2.56 Million Investment from Private Strategic Investor to Strengthen Operations and Expansion in Hong Kong

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Tokyo, Japan, April 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 its Hong Kong subsidiary, Tokyo Lifestyle Limited ("TKLF HK"), has secured investment from a Hong Kong-based private investor (the "Investor") to support its regional operations and expansion in Hong Kong.

Pursuant to a strategic investment agreement entered into on May 1, 2025 (the "Agreement"), the Investor had made a total investment of HKD 20 million (approximately US\$2.56 million) by March 31, 2026. The proceeds are intended to support the expansion and operations of TKLF HK's physical retail stores in Hong Kong. The investment will primarily be allocated toward operating expenses, market expansion, inventory replenishment, and procurement. The Agreement has an initial term of three years, upon expiration or termination of which the investment proceeds may be subject to return in accordance with the terms and conditions of the Agreement.

In addition, the Investor was appointed as General Manager for an initial term of three years commencing on May 1, 2025 and the term is subject to renewal upon mutual written consent of both parties at least 30 days prior to expiration. In this role, the Investor is responsible for overseeing TKLF HK's daily operations and external partnerships, including the execution of business plans, budgeting, sales and marketing strategies, team development, and the establishment of management systems. The Investor will also oversee key operational matters, subject to periodic reporting to the board of directors.

The Investor will receive a monthly salary along with performance-based profit-sharing incentives tied to TKLF HK's business results. These include key performance indicators such as revenue and profit growth, gross margin improvement, inventory turnover efficiency, store expansion progress, new business development, and cost control, among others.

This collaboration, with clearly defined rights and obligations, is expected to strengthen Tokyo Lifestyle's strategic presence in Hong Kong, accelerate the rollout of new directly operated stores, and enhance the Company's regional operational capabilities.

Mr. Mei Kanayama, Principal Executive Officer of Tokyo Lifestyle, commented: "We are pleased to welcome this strategic partner and his investment, which will further strengthen our operational capabilities and expansion efforts in Hong Kong, a key market within our global footprint. Through this arrangement, which incorporates a well-structured and aligned incentive mechanism, we have not only secured additional capital to support further expansion, but also engaged a trusted long-term partner whose valuable industry resources, local market knowledge, and management experience are expected to enhance our governance structure and operational execution.

"By taking a more active role in management, the Investor is expected to strengthen local execution, improve coordination across sourcing, sales, marketing, and channel development, and enhance our ability to identify market opportunities and respond quickly to changing consumer demand. His involvement is also expected to improve operational efficiency, strengthen accountability, and further align local business performance with the Company's broader strategic objectives.

"At the same time, we believe that this cooperation has established a replicable and scalable framework for introducing similar strategic partners in other markets in the future. We believe this model is an important component of the Company's global expansion strategy, as it allows us to combine our brand strength, supply chain capabilities, product portfolio, and operational expertise with the local knowledge, networks, and execution capabilities of experienced partners in each market. This approach is expected to accelerate market entry, reduce execution risk, improve responsiveness to local consumer preferences, and enhance the efficiency of capital allocation across regions."

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/irlibrary/>.

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 occurring 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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