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## **Notice Concerning Long-Term Management Vision 2035**

TOKYOTOKEIBA Co., Ltd. (the “Company”) hereby announces that it has formulated the Long-Term Management Vision 2035, a business plan setting targets for 2035, as a means of further enhancing corporate value. It represents the Company’s first-ever long-term management plan. Details are provided below.

### 1. Background and Purpose

(1) Key challenges in light of prospective changes in the business environment over the next 10 years

**(i) An aging society and labor shortages**

**(ii) Digital innovation**

**(iii) ESG initiatives**

➤ The Company must be conscious of issues such as changes in the Company’s customer demographic and customer preferences, labor shortages in the public competition industry, the need to improve business efficiency and the level of service it provides, and the need to contribute to sustainable society.

(2) Purpose of the Vision

Our vision sets out the Company’s **path toward further enhancing its corporate value** over the next 10 years as a company that boasts a long track record in the public competition industry. In pursuing this goal, the Company will collaborate with local public entities and maintain its required status as a company committed to public service and the public interest.

### 2. Slogan for the Vision

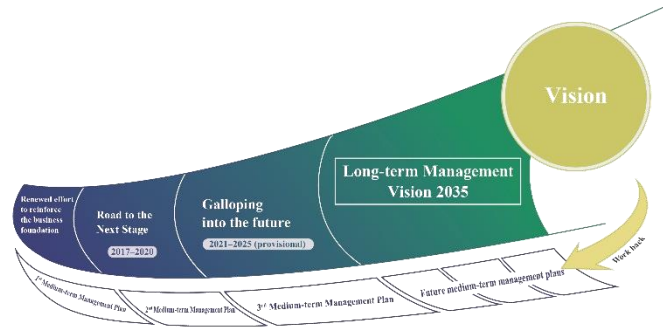
#### **Imagine the Future, Develop Spaces, and Deliver Enjoyment**

- We will imagine the future by constantly anticipating the changing times, develop spaces such as racecourses and amusements parks that continually evolve, and deliver enjoyment that spurs pleasure in life.
- We aim to be a company that delivers value in the form of enjoyment and do something nobody except us can do.

### 3. Role of the Vision

We intend to:

- Start with our overall objectives for 2035 and **work back** from there to develop specific measures
- Use the Vision to guide the formulation of future medium-term management plans
- **Combine design thinking and agile thinking** to move forward flexibly



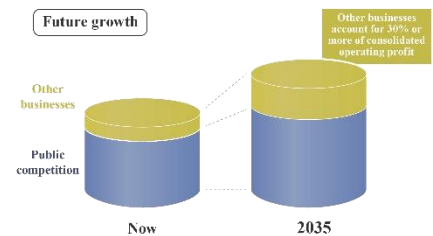
### 4. Vision for 2035

**Become a “space creator” that leads the formation of communities where enjoyment flourishes**

- We will **imagine** a bright future and make the most of the racecourses and other spaces we **develop** to **deliver** enjoyment.
- If those spaces bring people together, producing new businesses that bring more people together, a virtuous cycle will appear, fostering the formation of communities to form.

**Profit structure that we aim to build by 2035 (diversification of earnings)**

- We will strive to increase both revenues and profits of the public competition business, which generates approximately 80% of consolidated operating profit, while **seeking to diversify earnings** by increasing the ratio of profits from other businesses.



#### (1) Groupwide strategy

**Maximize synergies: Integrate the strengths of individual companies to generate results greater than the sum of their parts**

Starting with the Oi area, we will **lead community formation** by **making the most of** Group companies' strengths and their **synergies** with local public entities and other companies, then transfer that know-how to other business sites.

(2) Strategies for the five business domains

Imagining a vision for 2035, each business domain has set out a course of action to turn it into a reality.

Business domain	Vision for 2035
(i) Public competition (horse racing course)	<ul style="list-style-type: none"> <li>• Further develop the Oi Racecourse in Tokyo, the capital of Japan</li> <li>• Create a unique urban “entertainment racecourse”</li> <li>• Collaborate with local public entities to promote advanced utilization of the Oi Racecourse, a park designated under the City Planning Act</li> </ul>
Public competition (auto race track)	<ul style="list-style-type: none"> <li>• Create an auto racetrack that leverages the local characteristics of the city of Isesaki and contributes to regional revitalization</li> <li>• Pass the “auto race culture” on to the next generation</li> </ul>
(ii) Public competition (DX)	<ul style="list-style-type: none"> <li>• Combine design thinking and agile thinking to make SPAT4 more attractive and grow it further</li> <li>• Leverage digital technologies to address the challenges facing the horse racing industry and pass the horse racing culture on to the next generation</li> </ul>
(iii) Amusement park	<ul style="list-style-type: none"> <li>• Further improve our pool brand and make our facilities into Japan’s leading leisure pools</li> <li>• Leverage the characteristics of the site to establish a new non-pool brand</li> </ul>
(iv) Warehouse leasing	<ul style="list-style-type: none"> <li>• Work with local residents and our partner companies to create an urban warehouse business that allows them grow together</li> </ul>
(v) Service	<ul style="list-style-type: none"> <li>• Leverage accumulated know-how unique to the TOKYOTOKEIBA Group to generate new clients and deploy such know-how externally</li> </ul>

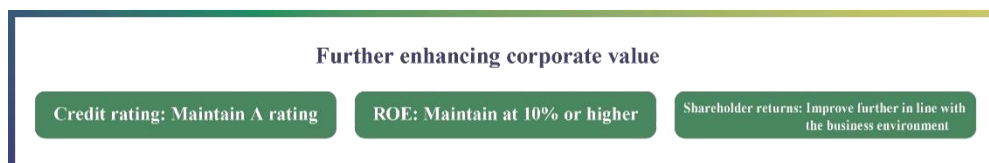
(3) Three function-related strategies

Under our three business function-related strategies, we set out our thinking with regard to human resources strategy (human capital-oriented business management), financial strategy, and ESG-focused business management.

(i) Human resources strategy (human capital-oriented business management)
<p><b>Make the most of employees’ unique characteristics to become a company in which every single employee takes responsibility for delivering enjoyment</b></p> <ul style="list-style-type: none"> <li>• We must have the capacity to make the most of particular personalities and strengths (i.e., unique personal characteristics) to generate new value in our spaces</li> <li>• Emphasize our unique characteristics as a company during recruitment and training to maximize employee’s capabilities</li> <li>• Create an organization in which employees can help each other grow and work with peace of mind through appropriate staff assignment and improvement of workplace environments</li> <li>• Every single person should aim to take responsibility for delivering enjoyment by constantly thinking, making proposals, and taking action</li> </ul>

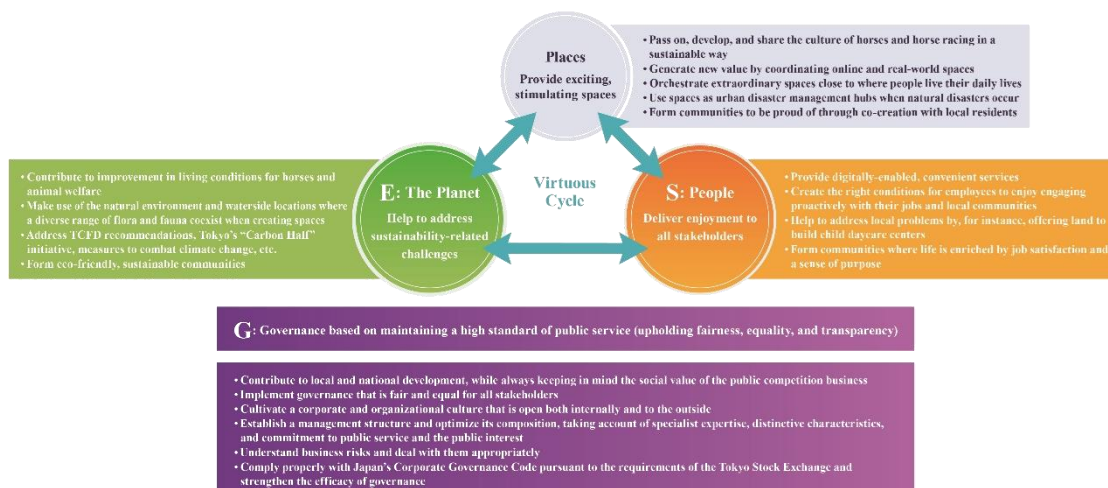
(ii) Financial strategy

- Establish a stable financial foundation and balance strategic investment and profit distribution over the long term to achieve sustained growth
- Pursue business and financial strategies that account for the cost of capital and capital efficiency
- Improve returns to shareholders while taking the balance sheets into account (increase dividends and repurchase shares)



(iii) ESG-focused business management

- Achieve our vision for 2035 to establish a virtuous cycle among the three “bottom lines” unique to the Company—Places, the Planet, and People—to address sustainability-related challenges and bring about growth for the TOKYOTOKEIBA Group
- Prioritize and reinforce governance to achieve our goals



Note: For details of the Long-Term Management Vision 2035, please refer to the accompanying material.