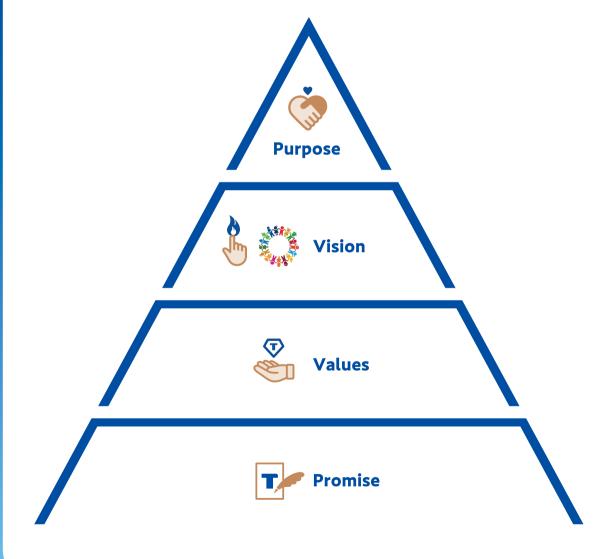
#### **ONE TOMY WAY**

ONE TOMY WAY is a roadmap to empower Group employees to take actions as one based on guidelines, and present a clear company vision and purpose.





## Quality Asobi can inspire and delight the world.



#### **Business Vision 2030**

Becoming a globally adored Asobi powerhouse, known for its topnotch quality and boundless creativity.

#### Sustainability Vision 2030

A creator of quality Asobi that promotes the sustainable well-being of society.



Eyes open to a wide world Creativity with purpose

Embrace the adventure

Relentlessly pursue your dreams



## Our sincerity and diligence will contribute to society and lead to our own success and happiness.

We will provide quality Asobi experiences.

We will not tolerate anti-cocial behavior

We will not tolerate anti-social behavior.

We will unleash our creativity by respecting our differences and communicating and collaborating with each other.

We will compete honestly and follow fair trade practices.

We will be a good corporate citizen toward society and the regions where we operate.

We will be considerate of resources and the natural environment.

#### **TOMY Group History**





IOHN DEERE?

1924 AERO PLANE BREGUET

1930 LOOPING PLANE

1935 AIR MAN 1937 TANK

1946 IOHN DEERE

TOMY'S FOCUS Craftsmanship/Wartime and postwar

INDUSTRY TREND Metals and motors



Plastic Train and Rail Set

1951 B-29

1953 Speedway Racer No. 3

1957 Bubble Blowing Elephant

1959 Sky Ping-Pong

Plastic Train and Rail Set

TOMY'S FOCUS

Mass development and production/Economic growth INDUSTRY TREND | Material revolution

The Game of Life

IICCA doll





Koeda-Chan mini dolls (Treena & Her Forest Friends)

TOMIX Approved by East Japan

1970 TOMICA G.I. Joe

1972 Henshin Cyborg

1974 Microman (Micronauts)

1975 Pop Up Pirate Pocket Mate Tuneyville Choo Choo

Kotetsu Jeeg 1976 Water Game Amikko Knit Stitcher Born Free

TOMIX 1977 Sensei

Koeda-Chan mini dolls (Treena & Her Forest Friends)

1978 Black Racer







Cotton Candy Maker 1983 ZOIDS 1984 TRANSFORMERS

Mechabonica

Omnibot

1986 Jenny doll 1987 Palm Pets

1980

Norakurokun Rock'n plush

TRANSFORMERS

1980 Choro-Q (Penny Racers)

1982 Japanese version Barbie

Tomy Tutor (Pyuta)

Orihime Weaving Machine/

Amuamu Knitting Machine

Diaclone

QR1 Pac-Man

1988 Rock 'n' Flowers Mashin Hero Wataru character products GACHA

1989 Kentoshi Boxing Ring

Plush Goma-chan from Shonen Ashibe Monopoly







1990 Musican

GACHA\*

Dear Word Processor for children Chibi Maruko-chan character products 1991 Healing Birds

1992 Thomas and Friends

Super Famicon software Legend of the Hungry Wolf

1993 B-Daman Pinkish

1994 Perfect Picture Maker 1995 Toshinden

LAMAZE

1996 Cella Sticker Machine Lullaby Home Theater

1997 Pokémon (Toys)

BEAST WARS: TRANSFORMERS 1998 Polaroid Pocket Xiao

1999 Furby REYRIADE Twister

TOMY'S FOCUS Marketing/Growth of mass media

INDUSTRY TREND Public information revolution

## 1920

## 1950

#### Founded Tomiyama Toy Seisakusho, the predecessor of today's TOMY

In 1924, Eiichiro Tomiyama founded Tomiyama Toy Seisakusho, the predecessor of today's TOMY Company, Ltd. The company manufactured numerous toy airplanes, establishing a reputation in the industry linking the Tomiyama name with toy airplanes. Later, the company expanded its business through one industry-leading initiative after another, including the establishment of the first factory in the toy industry with an assembly line system and the creation of a toy research department. Tomiyama also contributed greatly to the modernization of the toy industry through its determined efforts to improve the standing of toy manufacturers.

## Transferred from metal

to plastic

After World War II, the company's B-29 Bomber friction tov became a major hit in and outside Japan, blazing the way for the export of large toys. In 1953, the company began its journey toward becoming a modern enterprise by incorporating, and in 1959 it established a sales subsidiary, which had been the founder's ardent wish since the founding. Around this time, waves of innovation in materials and technology rolled through the toy industry, ushering in a major turning point when metal was replaced with plastic and friction toys were succeeded by electric toys.

In 1955, Sato Vinvl Industries, a predecessor of TAKARA Co., Ltd., was founded

## 1960

1960 Piggy Cook

1967 LICCA doll

1969 Tumble Robot

Dakko-Char

Magic Skyrail

1964 Ohanashi Miko-Chan (Talking Miko)

1968 The Game of Life (Japanese Version)

#### Early success in expanding overseas during the export boom

At a time when half of the tovs it produced were exported, TOMY was quick to open representative offices in New York and Europe with the aim of making inroads directly. In Japan, the company established production bases, set up a development center—an unprecedented move in the industryand took other steps to create a system uncompromisingly committed to good manufacturing.

TAKARA grew into a comprehensive toy manufacturer, propelled in its business expansion by hit products that made use of the company's vinyl processing technology.

## 1970

#### Start-up of overseas production

After commissioning production in Hong Kong, TOMY opened its first factory in Singapore, making it one of the early companies to embark on overseas production. Masanari Tomiyama was appointed the second president and CEO in 1974, the company's 50th anniversary.

TOMY and TAKARA both released numerous long-selling products that remain popular to this day.

#### Ongoing reform and expansion of sales channels

#### TOMY established the HT Laboratory in 1980 and popularized efforts in the industry to create barrier-free toys. In 1985, the Plaza Accord threw the company into a sudden management crisis, and drastic reforms were implemented, including the closure of factories in Japan. The following year, Kantaro Tomiyama was appointed the third president and CEO in a shakeup of the management structure.

TAKARA went public in 1984 and grew steadily, being listed on the Second Section of the Tokyo Stock Exchange in 1986. In 1988, the company switched from a focus on its core business of toys to diversified operations, rolling out products gimed at a wide range of fields.

## From "product out" to

1990

"market in"

TOMY prepared for regeneration with a new structure. With this, it announced a business diversification strategy focused on the three core areas of toys, general goods and multimedia products. It rolled out a stream of new measures, including entry into the character business and a business alliance with HASBRO, Inc., in the United States, In 1997, TOMY went public and in 1999 it was listed on the Second Section of the Tokyo Stock Exchange.

From the second half of the 1980s, TAKARA expanded its Hearty Series for enriching people's lives and released products based on TV characters that became hits. With this aggressive product expansion, the company was listed on the First Section of the Tokyo Stock Exchange in 1991.

5



Pokémon Frienda







Disney Lorcana Trading Card Game



DUEL MASTERS PLAY'S







TOMICA PLARAIL BLOCK

2025 Disney Lorcana Trading Card Game T-SPARK TOMICA PLARAIL BLOCK

2020 TOMICA EARTH GRANNER 2021 Shinkansen Henkei Robo SHINKALION Z SORA-Q Flagship Model 2022 TOMICA Heroes Jobraver

Specially-equipped combined robot 2023 The Game of Life for Nintendo Switch™

INDUSTRY TREND The personal revolution

Pokémon MEZASTAR

Punirunes

2024 Pokémon Frienda

TOMY'S FOCUS New technology/Analog toys with digital elements

WE WILL CREATE NEW VALUE FROM PLAY.

## 2020

its target age group to include the "kidults" segment. It also expanded its regional strategy to a global focus. TOMY introduced Japanese hit products, such as the tactile LCD care toy Punirunes and BEYBLADE X, to drive its global expansion. Group companies, including T-ARTS and KIDDY LAND, also achieved growing success.

#### Toward a Global Asobi Company

To mark its 100th anniversary, in fiscal 2024, the Company revamped its management system with the launch of its Medium-

From "toys" to "asobi" The TOMY Group shifted its focus from "toys" to "asobi," expanding

> to Long-Term Management Strategy 2030, setting ambitious goals of ¥300 billion in net sales and a 10% operating profit margin by the fiscal year ending March 31, 2030. The Company also clarified its significance in society by establishing a new Purpose, laying the foundation for future growth. Going forward, the Group will unite under ONE TOMY WAY to achieve this Purpose and become a beloved Global Asobi Company.

@TOMY @Homura Kawamoto, Hikaru Muno, Posuka Demizu, BBXProject, TV TOKYO @TOMY @TOMY @TOMY @1968, 2023 Hasbro. All Rights Reserved. Nintendo Switch and the Nintendo Switch logos are trademarks of Nintendo. @2024 Pokémon. @1995-2024 Nintendo/Creatures Inc./GAME FREAK inc. Developed by T-ARTS and MARV. Pocket Monsters and Pokémon are registered trademarks of Nintendo, Creatures, and GAME FREAK. @TOMY @Disney @TOMY/ @TOMY @SUNRISE

#### 2010 2000

#### Beginning of a new era in the toy industry

INDUSTRY TREND Public information revolution

In 2000, its stock was transferred to the First Section of the Tokyo Stock Exchange. In pursuit of further growth, TOMY aimed for progress as a group, including the establishment of a development subsidiary and the founding of a new company for the planning and selling of stuffed toys and a company for utilizing new technology.

In 2000, TAKARA advocated expansion of the toy business and aggressively moved forward with the rollout of products and leveraged its planning and marketing prowess to continue offering a succession of popular products. In 2006, TAKARA and TOMY merged, becoming TOMY Company, Ltd. (known as TAKARATOMY in Japanese), with the aim of maximizing their respective strengths and becoming the world's top toy manufacturer.

#### Toward tomorrow's hit products

Since 2010, TOMY has been accelerating its international expansion. It introduced an overseas version of TOMICA in Europe and North America. It began marketing METAL FIGHT BEYBLADE toys worldwide in conjunction with the introduction of a new TV anime. The toys are enjoying so much enthusiasm that an international competition was held in South Korea in the summer. In 2011, TOMY acquired U.S. toy manufacturer RC2 (the current TOMY International), establishing a platform for global expansion. The entire TOMY Group has started to move into action together, aiming to be a truly global toy company.

@TOMY @T2A/S/TX/PP @N intendo\*Creatures\*GAME FREAK\*TV Tokyo\*ShoPro\*JR Kikaku @Pokémon TM & @Wizards of the Coast/Shogakukan/Mitsui-Kids @T-ARTS @Project tokyo\*ShoPro\*JR Kikaku @Pokémon TM & WWizards of the Coast/Shogakukan/Mitsui-Kids @T-ARTS @Project tokyo\*ShoPro\*JR Kikaku @Pokémon TM & WWizards of the Coast/Shogakukan/Mitsui-Kids @T-ARTS @Project tokyo\*ShoPro\*JR Kikaku @Pokémon TM & WWizards of the Coast/Shogakukan/Mitsui-Kids @T-ARTS @Project tokyo\*ShoPro\*JR Kikaku @Pokémon TM & WWizards of the Coast/Shogakukan/Mitsui-Kids @T-ARTS @Project tokyo\*ShoPro\*JR Kikaku @Pokémon TM & WWizards of the Coast/Shogakukan/Mitsui-Kids @T-ARTS @Project tokyo\*ShoPro\*JR Kikaku @Pokémon TM & WWizards of the Coast/Shogakukan/Mitsui-Kids @T-ARTS @Project tokyo\*ShoPro\*JR Kikaku @Pokémon TM & WWizards of the Coast/Shogakukan/Mitsui-Kids Wizards of the Coast/ShogaSHINKALION Approved by East Japan Railway Company @1968, 2019 Hasbro. All Rights Reserved. @TOMY @Hu/T-BP-TX @Hiro Morita, BBB Project, TV TOKYO @TOMY John Deere's products under license with Deere & Company. Lamaze® is a registered trademark of Lamaze International, Inc. @TOMY-OUM / Miracle Tunes! Project @2020 San-X Co., Ltd. All Rights Reserved @MGA @TOMY @TOMY/ZW-MBS @2019 Wizards of the Coast / Shogakukan / Mitsui-Kids @TOMY @DeNA @TAKAO AOKI, Beyblade project

6 TOMY Company, Ltd. Integrated Report 2025

7

TOMICA Heroes Jobraver Specially-equipped combined robot

9

#### At a Glance



¥250.2 billion



Operating profit  $\pm 24.8$  billion



15.8%

Fiscal 2024 was a year in which the Company focused on expanding age groups and the regional axis in keeping with its Medium- to Long-Term Management Strategy 2030. We expanded our target age group to include the kidults segment, broadened our geographical reach globally and successfully captured inbound demand. These efforts by TOMY, T-ARTS and KIDDY LAND to expand business in Japan and Asia proved successful, resulting in record sales and profits for the fiscal vear ended March 31, 2025, in a repeat performance of the previous fiscal year.

The TOMY Group owns more than 60 brands, including iconic names such as TOMICA, PLARAIL and LICCA dolls. These brands have successfully evolved with the times, appealing to many different age groups and regions while consistently delivering fresh excitement and joy to consumers as beloved, longselling brands.

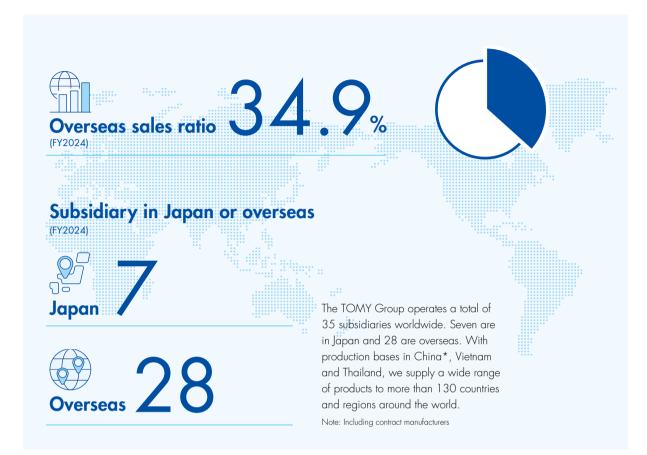




Number of employees (Consolidated)

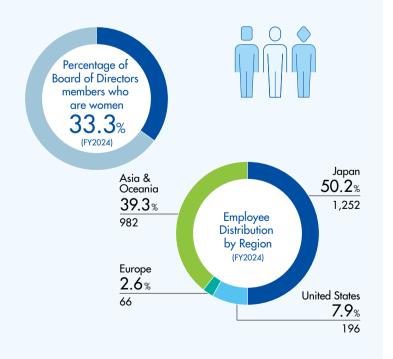
(FY2024)

The TOMY Group has 2,496 employees worldwide. Innovative ideas that excite both children and adults come from a workplace that respects the individuality, skills and diverse values of its employees. We are committed to fostering an environment that supports employee growth and fulfillment, empowering them to achieve their full potential.



We aim to be a Global Asobi Company with product development, marketing and sales seamlessly integrated Group-wide by 2030. The TOMY Group promotes diversity, equity and inclusion (DEI), with a focus on empowering women. In fiscal 2024, 100% of TOMY's eligible female employees and 88.9% of TOMY's eligible male employees took childcare leave and returned from it.

In addition, employees from diverse backgrounds work at our domestic and overseas Group companies, creating new value based on this diversity. DEI Committee of TOMY International, which oversees our international business. includes members from North America, the United Kingdom and Europe. Together, they promote diversity from a global perspective.



### **Message from the President**

# Pursuing "Quality Asobi" to drive transformation

Akio Tomiyama Representative Director President & CEO





#### Looking back on fiscal 2024

Fiscal 2024 was marked by numerous external uncertainties, including exchange rate fluctuations and geopolitical risks. Even so, we achieved record-high figures for both sales and profit, buoyed by favorable factors, such as growing demand from the kidult segment and inbound tourism. I feel we got off to a solid start in the first year of our Medium- to Long-Term Management Strategy 2030.

Under this strategy, we are targeting consolidated net sales of ¥300 billion and an operating margin of 10% for the fiscal year ending March 2030, with a focus on "expanding across regions and age groups." As the TOMY Group has traditionally focused its business on children, some investors have questioned whether we can truly achieve "expansion across age groups." However, TOMY Company's TOMICA range has gained support from a wide range of people—not just car enthusiasts—through various collaborations with popular

characters. Likewise, T-ARTS Company enjoys a strong kidult fan base for its capsule toys (GACHA), as well as its plush toys, miscellaneous goods and amusement machines. In addition, our KIDDY LAND stores attract a large number of customers across wide-ranging age groups, including inbound tourists. Through initiatives that leverage the strengths of each Group company, I feel we are making good progress with respect to "expansion across age groups." As for "expansion across regions," we stepped up our global outreach more than ever before, showcasing BEYBLADE at Anime Expo® 2024 in Los Angeles and TOMICA at DIECAST EXPO 2024 in Malaysia and other locations. It was also a year when our executives and employees traveled abroad, experiencing local challenges firsthand and gaining valuable inspiration. This deepened their awareness of one of our core values: "Eyes Open to a Wide World."

#### **Embedding Our Purpose**

Marking our 100th anniversary in February 2024, we took the opportunity to reaffirm our raison d'être in society and established a new Purpose: "Quality Asobi can inspire and delight the world." The "well-being" and "liveliness" that arise from play are fundamental needs of society, and we believe our ability to keep addressing such needs has allowed us to sustain our business over the years. We see this Purpose as our own interpretation and articulation of the reason the Group has continued for 100 years, and it expresses ideas that employees can readily relate to and embrace. For external audiences, it expresses our belief that the value we deliver will continue to be relevant across generations and that we will remain an indispensable presence in society for the next century as well.

In fiscal 2024, we held workshops and other forums to embed this Purpose throughout the Group. In

the workshops, we included sessions that encouraged participants to reflect on the meaning of the Purpose and on what "quality" means to each of them personally. When hearing the word "quality," many employees tended to think only of product quality, and in some departments, some people felt it didn't really relate to their own work. However, "Quality Asobi" refers to not only the quality of our products themselves but also the accumulation of "quality" at every phase of the Group's value chain. For instance, if we failed to provide proper customer support or lacked a solid governance framework, we would not be recognized as a company that brings "well-being" and "liveliness" to society. Over the past year, we have carefully explained this broader meaning of "quality" to each Group company and department, and I feel that understanding within the Group has advanced significantly as a result.

#### Challenges for future growth

One key challenge for our future growth is Japan's declining birth rate. The number of annual births in Japan has dropped by roughly 30% over the past decade—from more than one million in 2015 to just under 700,000 in 2024. On the other hand, Japan's toy market has grown by about 30%, from ¥800 billion to more than ¥1 trillion, driven by the expanding kidult segment. This surge in kidult demand is not limited to Japan but is spreading worldwide. In this environment, our path to growth lies in approaching new customers, including by expanding into the kidult market (expansion of age groups) and overseas markets (expansion of regions).

With respect to "expansion of age groups," the way we present and communicate the appeal of our products and services differs greatly between children and kidults, so we must learn and apply marketing approaches tailored to each age group. Moreover, products for the kidult segment can sometimes be priced in the tens of thousands of yen, requiring a level of "quality" that matches the higher price point. Therefore, it is important that we ensure a level of "quality" that, from the customer's perspective, feels truly worth purchasing.

On the other hand, the main challenge in "expansion of regions" lies in building strong local organizations overseas. While the Chinese market continues to grow,

our current activities there mainly focus on TOMICA and Pokémon, leaving considerable room for us to leverage the Group's brand assets. The same applies to the U.S. market. To establish Japan-originated brands in such markets, we need to build local organizations capable of operating independently. To achieve this, we must not only invest in human resources but also strengthen leadership with a global perspective that extends beyond Japan. At the same time, we must move with far more speed than before. Our competitive landscape is evolving not year by year, but from quarter to quarter—and sometimes even month to month. Therefore, it is crucial to make swift decisions on what actions to take and execute initiatives in line with our strategy.

Another immediate challenge is strengthening our quality control. Following an incident involving a product released in July 2025, we were forced to initiate a voluntary recall. Guided by the principle of "Quality Asobi," providing products that allow customers to enjoy themselves safely and with peace of mind is our greatest responsibility. Using this incident as a catalyst, we will rigorously strengthen our quality management, establishing a system to consistently deliver "quality" that satisfies our customers.

#### Strengths of the TOMY Group

In advancing our Medium- to Long-Term Management Strategy 2030, I believe the TOMY Group has two major strengths. The first is the presence of our long-selling brands. We have many brands that have been loved for decades, such as TOMICA, now in its 55th year, and LICCA dolls, which have been cherished for 58 years. These brands have been passed down not just from one generation but across two and three generations, thus strengthening the trust we have earned from our customers. In addition, long-loved brands generate positive ripple effects with respect to "expansion of regions." For example, the BEYBLADE anime series, now marking its 25th anniversary, has been broadcast in more than 40 countries and regions, enjoying global popularity. In this way, the presence of long-selling brands

that are supported by wide-ranging age groups—through lasting connections with customers across different regions and ongoing investment in brands over many years—is a key Group strength.

Our second strength lies in our "ability to bring ideas to life." Professionals in the digital design field often remark that TOMY's true appeal is its ability to actually make things—its power to materialize ideas. We often look with admiration toward digital spaces like the metaverse, but for designers working within those digital spaces, the ability to produce real, physical things appears to be what they find truly inspiring. In this age where digital is the mainstream, we will think deeply about how best to utilize our Group's "ability to bring ideas to life" and turn it into a future growth driver.

#### Promoting the well-being of children

As part of its ongoing commitment to sustainability, the Group has long focused on initiatives such as reducing CO2 emissions, enhancing employee engagement and promoting diverse work styles. As part of our efforts to reduce CO2 emissions, for example, we spent the past two years conducting research into using plastic mixed with cacao bean husks to produce PLARAIL trains, with the aim of reducing overall plastic usage. At the Tokyo Toy Show 2025 held in August 2025, we exhibited a prototype PLARAIL set made using this material. This was a hypothesis-testing initiative aimed at identifying potential issues. While we uncovered various challenges, such as cost and durability, we will continue our research into

alternative materials.

While we have undertaken various sustainability initiatives to date, UNICEF's report on children's well-being shows that Japan ranks quite low. This has led us to believe that we should address the social issue of "children's well-being" with the same seriousness as CO2 reduction. The Group's sustainability vision is: "A creator of Quality Asobi that promotes the sustainable well-being of society." Among its themes, I pay particular attention to "children's well-being." With this in mind, we are currently examining how to connect the corporate value and social value we provide from the perspective of social impact.

#### Long-term enhancement of corporate value

With its 100th anniversary as a turning point, the Group has declared its Purpose and Medium- to Long-Term Management Strategy 2030 and is now in amid a major transformation. In fiscal 2025, we will shift gears to accelerate transformation—raising our momentum and, in a positive sense, breaking free from existing frameworks. Over the past year, our executives and employees have grown more confident in responding swiftly. I hope we will continue moving forward together, inspired by our Purpose and Values: "Eyes Open to a Wide World," "Creativity with Purpose," "Embrace the Adventure," and "Relentlessly Pursue Your Dreams." However, balancing "asobi" and "quality," as stated in our Purpose, is not without challenges. We must never let our focus on "asobi" come at the expense of "quality." We will continue striving to maintain a proper balance between the two as we work to "inspire and delight the world."

As a leader of the TOMY Group, I feel a strong sense of responsibility to drive transformation and realize sustainable growth and long-term enhancement of corporate value. At the same time, as a member of the founding family, I feel I can pursue transformation without hesitation, and I take pride in possessing both the drive and passion to make it happen. To achieve

growth as a truly global company, I will dedicate myself wholeheartedly to this endeavor—a commitment only I can make at this point in my career. I ask all of our stakeholders, including shareholders and other investors, for their continued understanding and support of the TOMY Group.



#### **TOMY Group** Value Creation Process

## **Purpose**

Quality Asobi can inspire and delight the world.

## **Vision**

**Business Vision** 2030

Becoming a globally adored Asobi powerhouse, known for its top-notch quality and boundless creativity.

Sustainability Vision 2030

A creator of quality Asobi that promotes the sustainable well-being of society.

#### **Corporate Strategies**

Guidelines for creating and enhancing sources of value

Human capital and organization

• TOMY Group's approach to human capital Human capital strategy for achieving the Medium- to Long-Term Management Strategy

**Finance** 



• Improved profitability (Cost of capital and ROE) Shareholder return policy Manufacturing and infrastructure

Manufacturing and infrastructure



• IT systems Digital services

Intellectual property (IP)



Intellectual protection guidelines

Society and naturál environment



• Business continuity plan

• Responsibility to society and the natural environment

#### **Business Strategies**

Methods for utilizing the key greas and strengths of the businesses

Distribution **Business** Safety and Production infrastructure Utilization and

management

Hit products in major countries

> Growth potential through attractive competitive strategies

and expansion in market share

Creation of added value

Increase brand value

Non-toy revenue

Large growth potential

**Expansion of** 

regional axis

Expansion

of age groups

Factors supporting growth

Digital

## **TOMY Group business activities**

The Five Key Themes of Sustainability

Our passions

Through Asobi, contribute to a healthy society that has dreams

A workplace where employees can get absorbed in the work of creating Asobi hat is noticed and loved all over the world

Our responsibilities

Ensuring high quality

Coexistence with the global environmer

Sound management

Materialities

Contributing to an enriched society through Asobi

2 Improving employees' well-being

3 Promoting employee growth

Diverse values

Asobi that is safe, secure, and of high quality

5 Connecting with customers

6 Responding to climate change

Promoting eco-conscious package/product designs

8 Respecting human rights 10

Governance supporting the creation of Asobi Sustainable procurement

Risk management supporting the creation of Asobi

Business environment and issues

Aging population and declining birthrate in Japar

Global expansion of the middle class

Political instability

Natural environment