Medium-Term Management Plan

Fiscal Years 2026 - 2030

May 14, 2026

TOKYO RADIATOR MFG. CO., LTD.

Stock code: 7235

Table of Contents

01 Corporate Philosophy and Guideline for Action

02 Review of Previous Medium-Term Management Plan: TRS Vision-2025

03 New Medium-Term Management Plan: TRS Vision-2030 Basic Policy

04 Business Strategy

05 Financial Strategy

06 Sustainability Strategy

07 Appendix

© TOKYO RADIATOR MFG. CO., LTD., 2026. All rights reserved

The TRS Way: Centered on *change*, *respond*, and *enhance*, we create new values and, as a trusted company, contribute to building a sustainable society.

Corporate Philosophy	**Create new values based on respect for mankind, and contribute to the realization of an eco-friendly society as a trusted company.**

The TRS Way Guideline for Action

Change

変わる

I change my mind to enjoy every challenge without being afraid of failure.

We change our organization that produces the best results with our creativity and wisdom.

Respond

応える

I meet the expectations of our stakeholders by solving problems toward higher goals.

We always understand the true purpose of our work and respond to the expectations and trust of our customers, society and the times.

Enhance

高める

I learn by myself with the desire to improve my abilities.

We enhance each other's abilities and enhance our corporate value.

© TOKYO RADIATOR MFG. CO., LTD., 2026. All rights reserved

02 Review of Previous Medium-Term Management Plan: TRS Vision-2025

© TOKYO RADIATOR MFG. CO., LTD., 2026. All rights reserved

Achievement of Financial Targets and Contributing Factors

Driven by sales expansion and product launches, net sales and operating profit ratio targets were achieved or exceeded one year ahead of schedule.

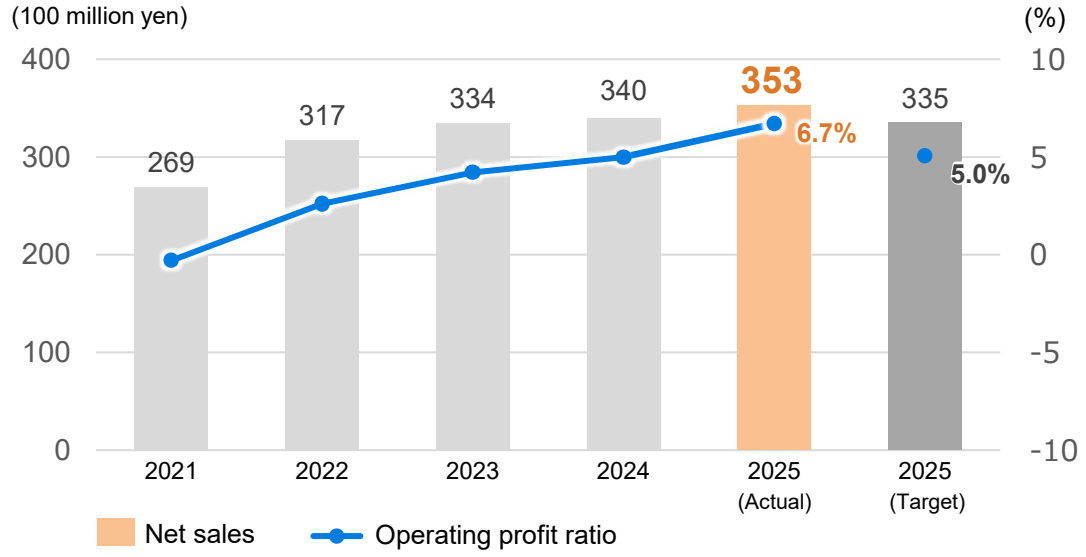
2025 Results (Net Sales & Operating Profit Ratio)

Net Sales **35.3 billion yen**

Operating Profit Ratio **6.7%**

Target: 5.0%

Trends in Net Sales and Operating Profit Ratio (Consolidated)



Achievement of Financial Indicators in the Previous Medium-Term Plan and Contributing Factors

Achievement and Factors

- **Acceleration of sales expansion activities targeting major domestic and new customers.**
- Progression of planned product launches.
- Improvement of volume and profitability through deepened customer relationships.
- Progression of shift to electric commercial vehicles is slower than anticipated, so demand for internal combustion engine products remains strong.

Impact and Challenges

- The backlog of orders is growing, so the potential for sales growth is high.
- However, **challenges related to production efficiency and costs associated with high-mix, low-volume production have come to the fore.**

By selecting and focusing on the product portfolio, we aim to strengthen our cost competitiveness.

© TOKYO RADIATOR MFG. CO., LTD., 2026. All rights reserved

Review of TRS Vision-2025

While we have confirmed solid progress in our product strategy and smart factory strategy, challenges remain in investor communications, including disclosures related to capital policy.

Achievements, Challenges, and Action Plans

"Business Strategy" section from the previous medium-term plan	
Product & Growth Strategies	• Through sales expansion and product launches, **we achieved our targets** for net sales and operating profit ratio **one year ahead of schedule.** • In the new medium-term plan, we will pursue selection and concentration in our product portfolio to achieve further growth and profitability.
Global Strategy	• We have acquired fuel cell vehicle (FCV) and passenger vehicle businesses. • Results fell short due to economic stagnation in the Chinese and Asian markets overall and because structural changes in China's market progressed more rapidly than anticipated. • Going forward, we will review our regional strategies based on the assumption of structural changes in the Chinese market.
Smart Factory Strategy	• We achieved steady progress in factory visualization and automation. • In the new medium-term plan, we will position **generating profits through high-mix, high-variety, low-volume production** as a core strategy and will work to further our cost competitiveness.
Human Resources Strategy	• Efforts focused primarily on establishing systems fell short of achieving sufficient business transformation and corporate culture reform. • In the new medium-term plan, we will work to strengthen our organizational foundation by reducing routine tasks through digital transformation (DX) and a cultural shift.

© TOKYO RADIATOR MFG. CO., LTD., 2026. All rights reserved

03 New Medium-Term Management Plan: TRS Vision-2030 Basic Policy

© TOKYO RADIATOR MFG. CO., LTD., 2026. All rights reserved

Market Outlook

- Toward 2030, commercial vehicles and industrial construction machinery will see **EV adoption progress and internal combustion engine (ICE) demand persist at a certain level.**
- TRS aims to achieve sustainable growth and profitability through **Japan = profit base, Asia = growth,** and **China = carbon neutrality (CN) establishment.**

Market Environments for Commercial Vehicles and Industrial Construction Machinery

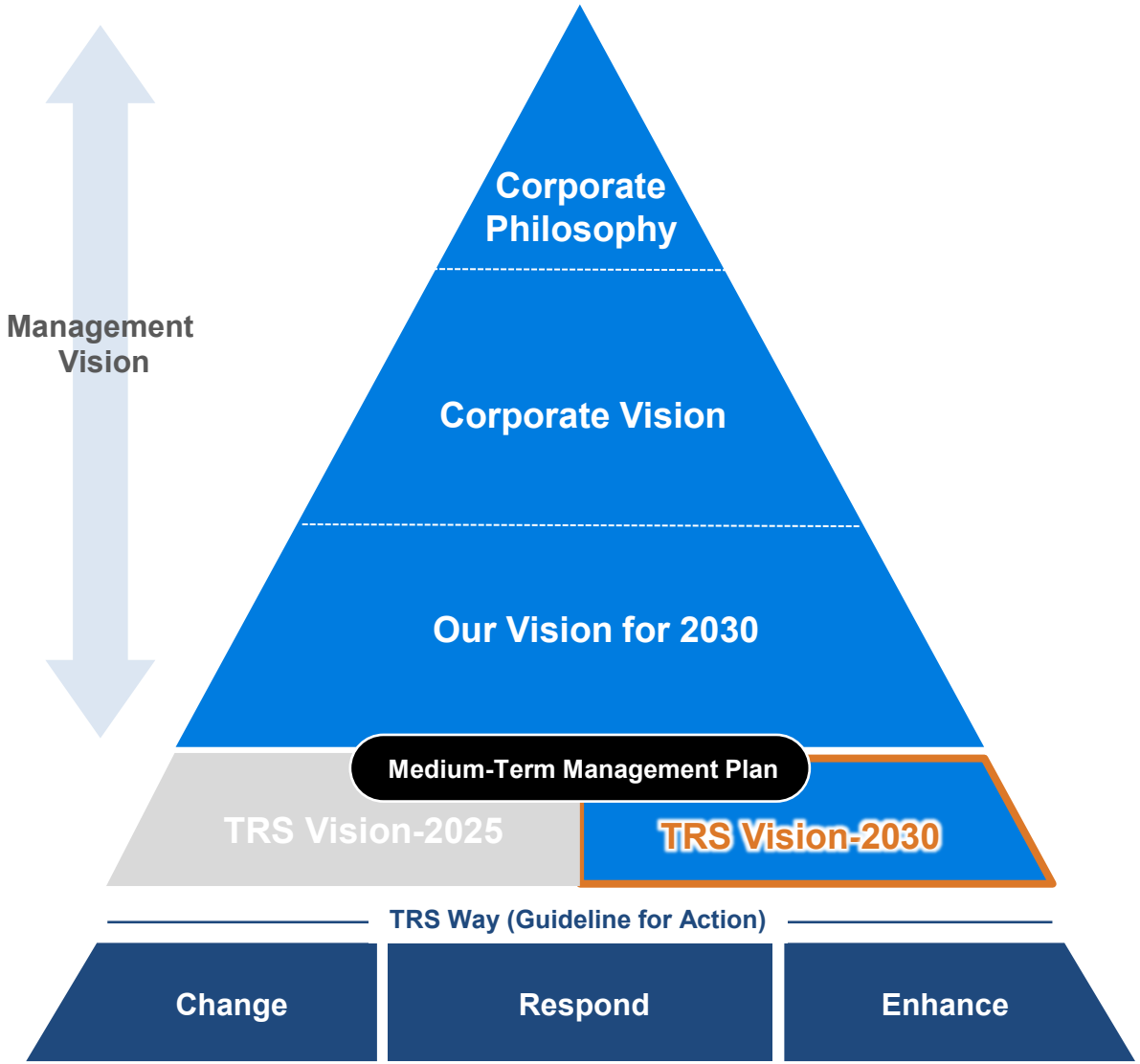
Commercial Vehicles	● The transition to EVs will proceed in stages, with regional variations Japan: EV adoption will be gradual, and demand for radiators for internal combustion engines will continue. China: EV adoption will accelerate, changing the market structure, and demand for internal combustion engines will trend downward. Asia: Commercial vehicle demand will expand gradually. ● Against the backdrop of geopolitical risks and policy trends, the need for local production and stable supply will persist.
Industrial Construction Machinery	● Overall demand will remain flat. ● The shift to EVs will be mainly limited to small models. ● Demand for cooling products for internal combustion engines will remain mostly stable.

● TRS's Position by Region

Japan	China	Asia
Profitability Generator	Leveraging Strengths and Characteristics	Growth Areas

© TOKYO RADIATOR MFG. CO., LTD., 2026. All rights reserved

Positioning of the TRS Philosophy Framework and New Medium-Term Management Plan



Corporate Philosophy

Create new values based on respect for mankind, and contribute to the realization of an eco-friendly society as a trusted company.

Corporate Vision

Aspire to be a corporation that delivers the world's best products and continue to grow with all stakeholders.

Our Vision for 2030

- Develop industry-leading manufacturing capabilities.
- Achieve the No. 1 domestic market share in the heat exchanger business for trucks and industrial construction machinery and take on the challenge of further growth.

© TOKYO RADIATOR MFG. CO., LTD., 2026. All rights reserved

Overview of TRS Vision-2030

2030 Vision

Industry-leading manufacturing capabilities

Achieve the No. 1 domestic market share in the heat exchanger unit business for trucks and industrial construction machinery and take on the challenge of further growth.

TRS Vision-2030

1. Business Strategy

Products (Pursuit of Growth and Profitability)

- Expand sales of products while refining sales expansion strategies based on market analysis for speed-focused strategy execution.
- Globally, Japan remains our core revenue base and a key driver of growth, China serves as a growth engine, and Asia strengths and unique characteristics are leveraged to establish our carbon neutrality (CN) heat exchanger unit business.
- Expand into new business domains along two axes: passenger vehicles (established product areas) and CN (new products and applications).

Smart Factory (Strengthening the Production Infrastructure)

- Realize strong, TRS-style manufacturing capable of generating profits even under conditions of high-mix, high-variety, low-volume production.

Human Resources (Strengthening Organizational Foundations)

- Strengthen our organizational foundation to ensure the steady execution of our business strategies.

2. Financial Strategy (Stabilizing the Management Foundation)

- Ensure a positive financial outcome (ROE).
- Pursue a cash allocation policy.
- Establish priority initiatives and investment plans.

3. Sustainability Strategy (Promotion of ESG Management)

- Formulate and execute a roadmap for CN.
- Balance environmental value and business growth through expanded sales of CN products.
- Achieve sustainable growth by leveraging employee engagement as a source of human capital value.

Guideline for Action

"Change" "Respond" "Enhance"

© TOKYO RADIATOR MFG. CO., LTD., 2026. All rights reserved

Management Objectives

Profitability

Net Sales: 50 billion yen

2025 Actual: 35.3 billion yen

Operating Profit Ratio: 9%

2025 Actual: 6.7%

Net Sales: We will build a foundation for medium- to long-term growth by leveraging stable sales expansion in our established businesses, by capturing growth opportunities in the Asian region, and by gradually developing new business areas.

Operating Profit Ratio: We will enhance our cost competitiveness and production efficiency through the selection and concentration of our product portfolio and the execution of our smart factory strategy, aiming for sustained improvement in our operating profit ratio.

Capital Efficiency

ROE: 9% or higher

2025 Actual: 8.5%

We will increase ROE by improving our asset efficiency and our disciplined execution of growth investments.

Shareholder Returns

Dividend Payout Ratio: 40%

2025 Actual: 30%

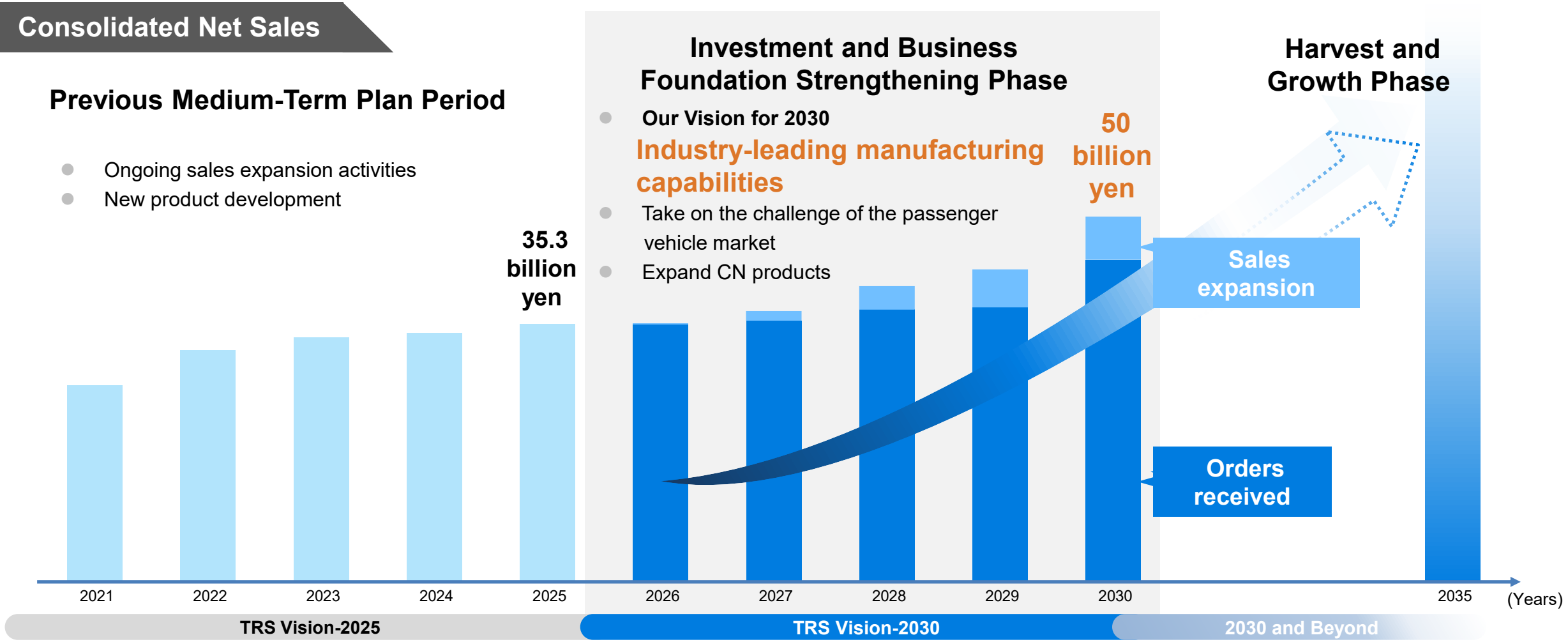
We will implement stable and continuous shareholder returns, targeting a dividend payout ratio of 40%.

© TOKYO RADIATOR MFG. CO., LTD., 2026. All rights reserved

Medium- to Long-Term Growth Strategies

Achieve the No. 1 domestic market share in the heat exchanger business for trucks and industrial construction machinery and take on the challenge of further growth.

Consolidated Net Sales



© TOKYO RADIATOR MFG. CO., LTD., 2026. All rights reserved

04 Business Strategy

© TOKYO RADIATOR MFG. CO., LTD., 2026. All rights reserved

Expanding Sales of Established Products

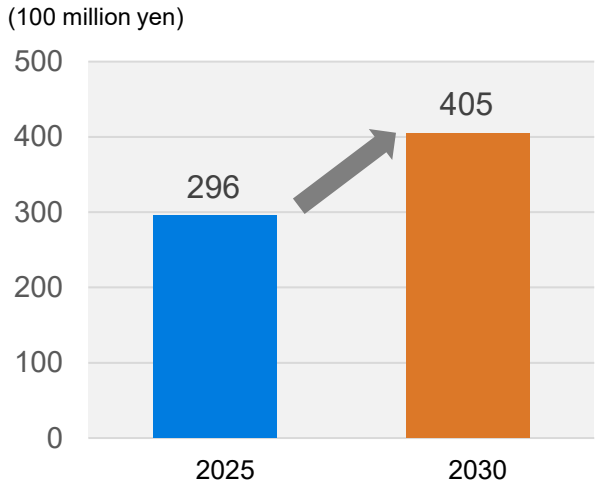
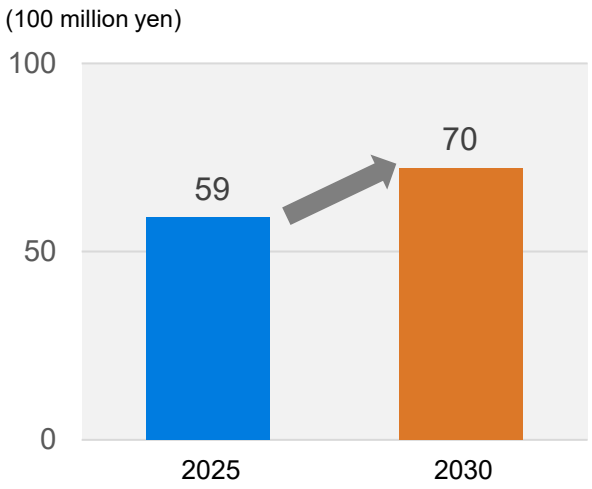
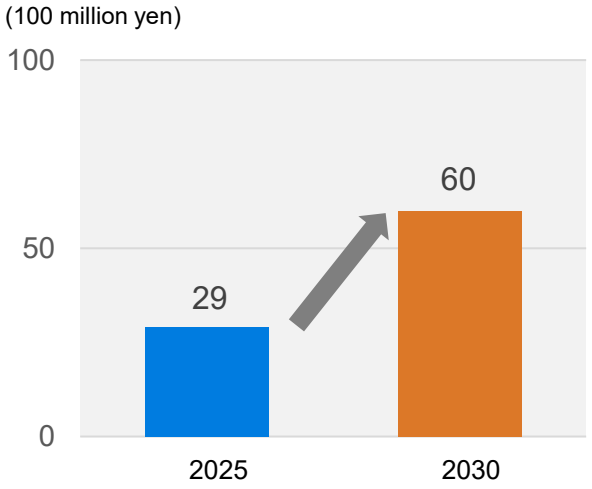
Drive profitable sales expansion by strengthening cost competitiveness and enhancing product competitiveness, with the aim of achieving the No.1 market share for commercial vehicle and industrial construction machinery markets.

Products	Aluminum Heat Exchangers	Stainless Steel Heat Exchangers	Automotive Body Products
Strategy	Achieve product and cost competitiveness through core integration.	Focus on the need for high reliability and durability and continue to differentiate ourselves in next-generation powertrains.	Accelerate the shift to high-margin products and build a stable sales base through automation and labor-saving measures.
Goals	● Aim for the No. 1 market share for commercial vehicles and industrial construction machinery. ● Take on the challenge of the heat exchanger business for passenger vehicles.	Maintain the top market share in EGR coolers for commercial vehicles and industrial construction machinery.	Establish ourselves as a stable, profit-generating business.
Common Initiatives	● Pursue selection and concentration of product portfolio. ● Improve profit margins by promoting smart factories.		

© TOKYO RADIATOR MFG. CO., LTD., 2026. All rights reserved

Global (Regional Business Strategy)

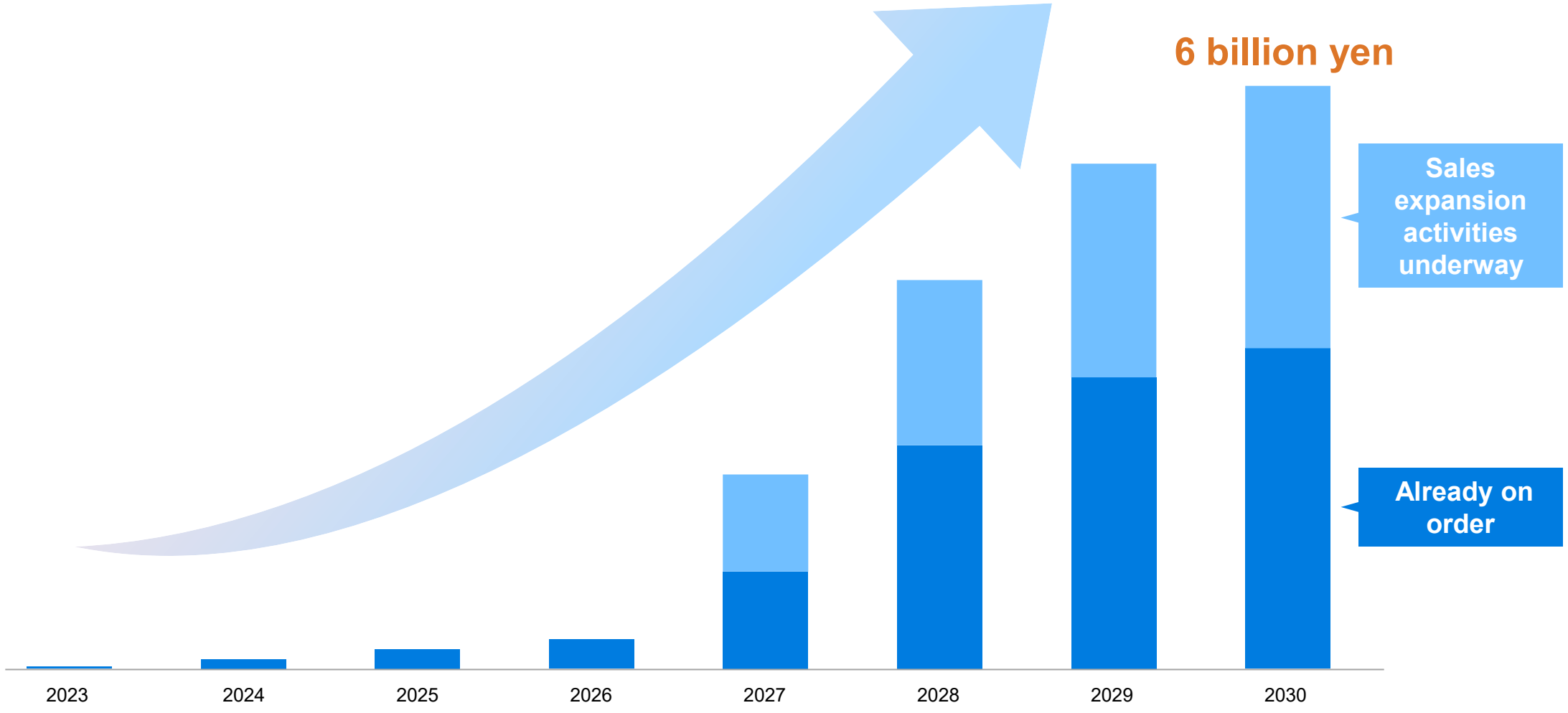
We aim for sustainable growth through global expansion tailored to regional characteristics.

Region	Japan	China	Asia
External Environment and Business Opportunities	● Changes in the competitive landscape yield opportunities to expand our market share in commercial vehicles and industrial construction machinery. ● Demand for internal combustion engines will continue at a steady level.	● The shift to EVs will transform the market structure. ● Demand will grow for natural gas vehicles and FCV.	● The commercial vehicle market will gradually expand. ● Japanese OEMs will lead growing local demand.
2030 Net Sales Target Actual Target			
Regional Strategies	● Strengthen our sales base and expand our domestic market share. ● Take on the challenge of the passenger vehicle business.	● Expand sales of new products, such as FCV Radiators/EGR coolers. ● Focus on areas of strength and continue emphasizing profitable operations.	● Address local needs, primarily in Indonesia and Thailand. ● Balance growth and profitability with environmental value.

* Excluding consolidation adjustments

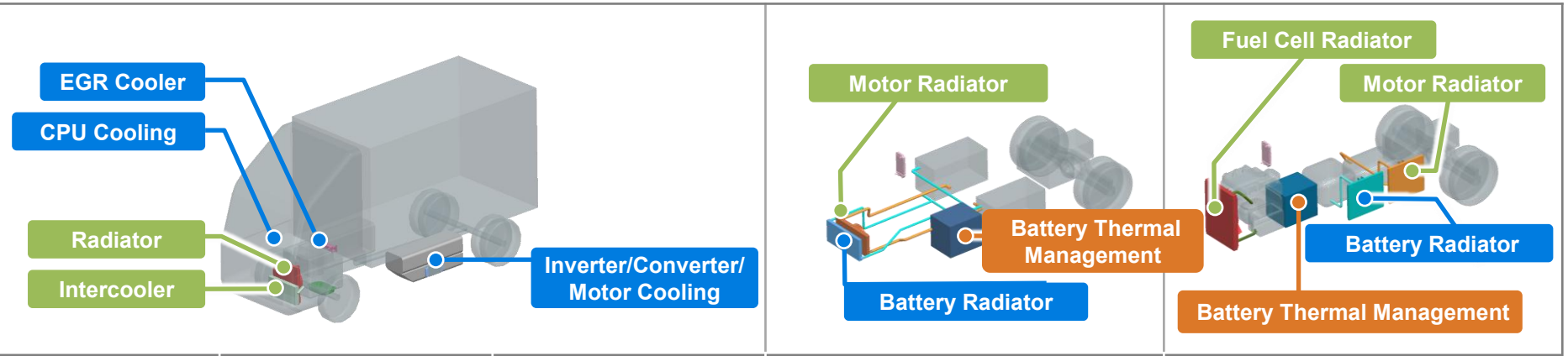
© TOKYO RADIATOR MFG. CO., LTD., 2026. All rights reserved

Expansion of Carbon Neutral and Passenger Vehicle-Related Products Targeting 6 Billion Yen in Sales by 2030



© TOKYO RADIATOR MFG. CO., LTD., 2026. All rights reserved

Development Strategy for Carbon Neutrality



Heat exchanger cooling elements		Installation location	ICE-eFuel	ICE-NGV	HEV/PHEV	BEV	FCV
Powertrain Cooling	Air	Engine Cooling	●	●	●		
		Motor Cooling			●	●	●
		FC Stack Cooling					●
	Refrigerant	Battery Thermal Management				●	●
	Water	High-Performance EGR Cooler	●	●	●		
		High-Heat-Resistance EGR Cooler		●			
Electrical System Cooling		Inverter/ Converter Cooling			●	●	●
		CPU Cooling	●	●	●	●	●

(Inv. : Inverter　Conv. : Converter)

© TOKYO RADIATOR MFG. CO., LTD., 2026. All rights reserved

Smart Factory Business Strategy

Under conditions of high-mix, high-variety, low-volume production, we will enhance our competitiveness and profitability through cross-functional initiatives to drive net sales growth.

Quality Assurance from an Uncompromising Quality Management System

Production

Product Design
Product variety reduction

Process Design
Line and equipment consolidation & standardization

Procurement
Volume integration & standardization

Manufacturing
On-site capability strengthening, Thorough waste elimination

Manufacturing Competitiveness and Profitability

Sales
Sales expansion

Management

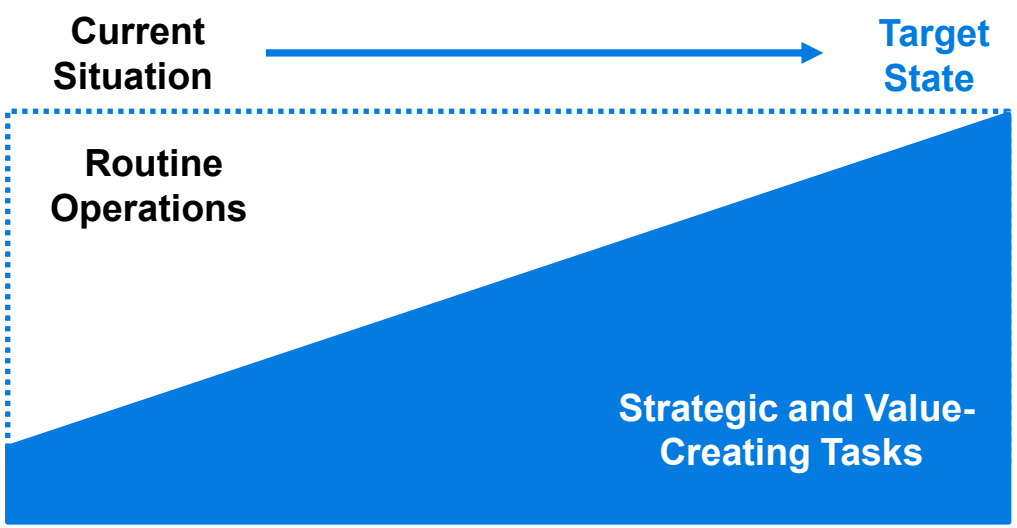
- **Cost management** that reveals strengths and weaknesses
- **Business innovation** that enhances human value through DX
- **Human capital** development that achieves management goals
- Improved production efficiency that saves energy and the **Environment**

© TOKYO RADIATOR MFG. CO., LTD., 2026. All rights reserved

Human Resources Business Strategy

We intend to transform into a strategic and innovative organization capable of executing business strategies through operational reform, mindset transformation training, and strategic recruitment and placement.

Business Characteristics



Initiatives

Business Reform Leveraging IT & DX

We will minimize routine tasks through the use of AI and data and will shift human resources to strategic and value-creating tasks.

Mindset Transformation Training

We will restructure training programs to cultivate talent capable of putting the TRS Way of “change,” “respond,” and “enhance” into practice.

Strategic Recruitment and Placement

We will optimize recruitment and placement, particularly in key departments, to build an organizational structure that supports DX, global operations, and new business areas.

Throughout the medium-term plan period, we will transition from an organization centered on routine tasks to an organization centered on strategic execution and value creation.

© TOKYO RADIATOR MFG. CO., LTD., 2026. All rights reserved

05 Financial Strategy

© TOKYO RADIATOR MFG. CO., LTD., 2026. All rights reserved

Review of the Previous and Policies for the New Medium-Term Plan

Although our business performance has improved, challenges remain regarding how to improve our capital efficiency and to communicate with the market.
Under our new medium-term plan, we aim for an ROE of 9% or higher and for a PBR of about 1.0x by clarifying our capital policy and strengthening our dialogue with the market.

Review of the Previous Medium-Term Plan and Its Challenges

ROE: **8.5%**

Has not yet reached a level that consistently exceeds the cost of equity (6.5%–8.5%)

PBR: **0.6x**

Although improvements have been made, the ratio remains below 1.0x

Challenges of the Previous Medium-Term Plan

- Unclear priorities for cash allocation and how to improving ROE
- Insufficient IR and disclosure; the company's growth story and commitment to improving capital efficiency are not being communicated

Goals and Policies of the New Medium-Term Plan

ROE: **9% or higher**

PBR: **Around 1.0x**

Basic Policies of the New Medium-Term Plan

- Clarification of cash allocation and shareholder return policies
- Strengthening of market dialogue (IR and information disclosure)

© TOKYO RADIATOR MFG. CO., LTD., 2026. All rights reserved

Cash Allocation (2026–2030)

Our new medium-term management plan prioritizes improved capital efficiency and will clarify the use of cash to enhance corporate value.

We will use the 15 billion yen generated as operating cash flow as the funding source and will allocate funds strategically to (1) growth investments; (2) management foundation strengthening; and (3) shareholder returns to improve our ROE.

Cash In

Operating cash flow: 15 billion yen

Cash Outflows

Capital Expenditures

Growth investments: 5 billion yen (including 2 billion yen from M&A)

- Establish a production system to handle sales expansion projects.
- Ensure competitiveness in growth markets, such as electrification and autonomous driving.
- Invest strategically in new business areas.

Management foundation strengthening: 5 billion yen

- Strengthen the competitiveness of core businesses through automation and production capacity expansion.
- Establish a stable supply system.
- Invest in carbon neutral initiatives, including in equipment to reduce environmental impact.
- Strengthen the management foundation through DX investments, such as for business process reform and core system upgrades.

Shareholder returns: 5 billion yen

- Aim for a dividend payout ratio of 40% while prioritizing a balance between growth investments and financial soundness.
- Implement stable and continuous shareholder returns.

© TOKYO RADIATOR MFG. CO., LTD., 2026. All rights reserved

06 Sustainability Strategy

© TOKYO RADIATOR MFG. CO., LTD., 2026. All rights reserved

Toward Carbon Neutrality

Our new medium-term plan progressively promotes energy efficiency, resource recycling, and green procurement to contribute to achieving carbon neutrality by 2050.

Advancement

PHASE A
Foundation Building

Factory Energy Efficiency & Conservation

① Enhance visibility of energy, water, and waste

② Improve unit consumption through automation

PHASE B
Full-Scale Rollout

Circular Economy (Resource Circulation & Recycling)

① Expand the use of recycled materials and renewable energy

② Implement advanced water management and resource circulation (reduction, reuse, recycling, etc.)

PHASE C
Target Achievements

Green Supply Chain

① Expand green procurement

② Integrate the green supply chain

Expansion Roadmap Toward 2035 and 2050

- **2035 CO_2 Reduction Target**
  Aim for a 50% reduction in CO_2 emissions by 2035 (compared with fiscal 2018) and bring the renewable energy ratio close to 100%.
- **Expand Process Electrification**
  Pursue sustainable manufacturing by expanding process electrification to reduce dependence on fossil fuels.
- **Carbon Neutrality by 2050**
  Target carbon neutrality by 2050 through offsetting residual emissions through process improvements and CCUS (carbon capture, utilization, and storage) technology.

2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2035 | 2050 (Years)

TRS Vision-2025 | TRS Vision-2030 | Beyond 2030

© TOKYO RADIATOR MFG. CO., LTD., 2026. All rights reserved

We will cultivate an environment where diverse talent can thrive, thereby improving employee engagement and therewith achieving sustainable growth.

Our Vision

By respecting the individuality and abilities of each employee, we cultivate an environment where diverse talent can work proactively and creatively to foster our sustainable growth.

Expected Outcomes

Improved productivity through enhanced employee engagement

Themes and Initiatives

Ensuring Diversity and Promoting Participation

- Promote the recruitment and retention of a diverse workforce, regardless of gender, disability status, or other factors.
- Establish an environment where diverse talent can thrive over the medium- to long-term

Improving workplace comfort and job satisfaction

- Offer a work environment that prioritizes work-life balance.
- Balance a comfortable work environment with a sense of fulfillment through improved managerial skills.

Developing talent and strengthening organizational capabilities

- Enhance employee growth through strengthened dialogue and development processes.
- Leverage motorsports sponsorship activities to:
  - ✓ Foster a sense of belonging and unity among employees.
  - ✓ Elevate corporate recognition.
  - ✓ Establish a corporate image that attracts top talent.

© TOKYO RADIATOR MFG. CO., LTD., 2026. All rights reserved

07 Appendix

© TOKYO RADIATOR MFG. CO., LTD., 2026. All rights reserved

TRS Business Overview

▶ Body Products

Fuel Tanks

We offer fuel tanks that comply with fuel leak prevention standards (UN-R34) in Japan and the United States, making them suitable for use worldwide. Our wide variety of safe fuel tanks include steel, aluminum, and stainless steel models designed for harsh operating environments.

Oil Pans

We offer a wide variety of oil pans for automobiles, industrial construction machinery, and industrial engines, utilizing deep-drawing technology and high-quality welding techniques. As a pioneer in the manufacture of vibration-damping steel oil pans, we provide these products with our extensive technical expertise.

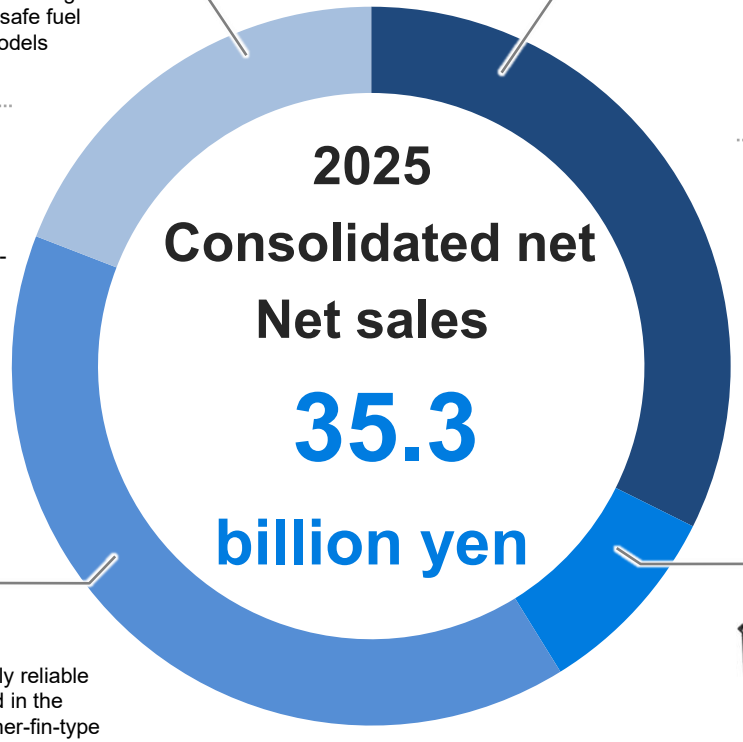
SCR Tanks

▶ Stainless Steel Heat Exchangers

EGR Coolers

We offer multiple variations of highly reliable products with a proven track record in the market, including tube-type and inner-fin-type models, to meet the specific needs of diesel and gasoline engines.

Oil Coolers



▶ Aluminum Heat Exchangers for Commercial Vehicles

Cooling Modules for Heavy-, Medium-, and Light-Duty Trucks

We provide high-efficiency, high-performance radiators, intercoolers, and ATF coolers as optimal cooling module systems tailored to engines, fans, and vehicle layouts.

Radiators

We provide high-efficiency, high-performance radiators through the optimal combination of fins with excellent clog resistance and tubes with a high turbulence-promoting effect.

▶ Aluminum Heat Exchangers for Industrial Construction Machinery

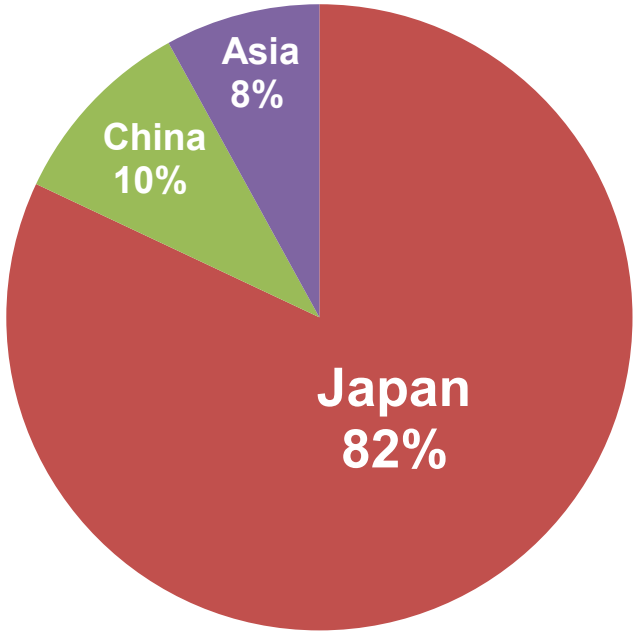
Cooling Modules for Construction and Industrial Machinery

We provide high-efficiency, high-performance radiators, intercoolers, and oil coolers as optimal cooling module systems tailored to engines, fans, and vehicle layouts.

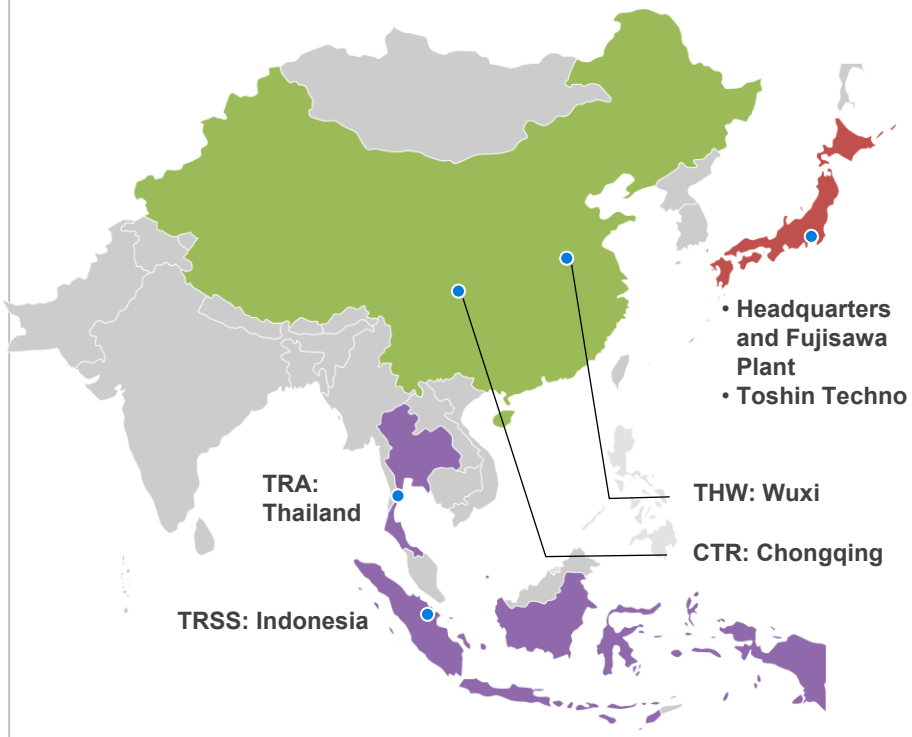
© TOKYO RADIATOR MFG. CO., LTD., 2026. All rights reserved

Operations Overview

Sales by Region



Locations



Japan

- **Headquarters and Fujisawa Plant**
  Established: October 1938, Number of Employees: 492
  Business Activities: Manufacture and sale of aluminum heat exchangers for vehicles and industrial construction machinery, of stainless steel heat exchangers, and of vehicle body products
- **Toshin Techno**
  Established: June 1986, Number of Employees: 7
  Business Activities: Sale of aluminum heat exchangers for vehicles and of automotive body components

China

- **THW (Wuxi TRS Heat Exchanger Co., Ltd.)**
  Established: April 2004, Number of Employees: 151
  Business Activities: Manufacture and sale of stainless steel heat exchangers (EGR coolers)
- **CTR (Chongqing Tokyo Radiator Co., Ltd.)**
  Established: June 1999 (relocated in 2013), Number of Employees: 102
  Business Activities: Manufacture and sale of aluminum heat exchangers for vehicles and industrial construction machinery and sale of stainless steel heat exchangers (oil coolers)

Asia

- **TRSS (PT. TOKYO RADIATOR SELAMAT SEMPURNA)**
  Established: April 2012, Number of Employees: 54
  Business Activities: Manufacture and sale of aluminum heat exchangers for vehicles and industrial construction machinery and sale of stainless steel heat exchangers (EGR coolers)
- **TRA (TR Asia Co., Ltd.)**
  Established: April 2013, Number of Employees: 10
  Business Activities: Sale of aluminum heat exchangers (for vehicles) and of stainless steel heat exchangers (EGR coolers)

© TOKYO RADIATOR MFG. CO., LTD., 2026. All rights reserved

Customer Overview

Japan	China	Asia
ISUZU	ISUZU 江西五十铃	ISUZU
UD TRUCKS	NISSAN MOTOR CORPORATION / JAC	PT Krama Yudha Tiga Berlian Motors
FUSO / HINO	BOSCH / 北京汽车 BAIC MOTOR	HITACHI Reliable Solutions
HITACHI Reliable Solutions	庆铃汽车 QINGLING MOTORS / 陕汽控股 品质成就未来	
住友建機株式会社	Weichai Power Co., Ltd.	SUMITOMO
コベルコ建機株式会社	HITACHI Reliable Solutions	
Kubota		

© TOKYO RADIATOR MFG. CO., LTD., 2026. All rights reserved

Disclaimer

The information regarding financial forecasts and other projections contained in this document is based on information reasonably available to the company at the time of preparation and on judgments within the scope of what can typically be predicted. Subsequent changes in circumstances may cause actual results to differ significantly from those described herein.

Please be advised that this document is intended for use at the sole discretion and responsibility of each investor. The company assumes no liability under any circumstances.