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November 27, 2026

To whom it may concern,

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Name of representative: Taro Teraura, President and CEO
(Securities Code: 7279; TSE Standard Market)
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Notice Concerning Revision of Forecast for Consolidated Financial Results for the Fiscal Year Ending October 31, 2026

HI-LEX CORPORATION (the "Company") has revised its forecast for consolidated financial results for the fiscal year ending October 31, 2026, which was announced on March 6, 2026, as follows.

1. Revision of Forecast for Consolidated Financial Results

Revision of Forecast for Consolidated Financial Results for the Fiscal Year Ending October 31, 2026
(November 1, 2025 to October 31, 2026)

	Net sales	Operating income	Ordinary income	Profit attributable to owners of parent	Earnings per share
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Yen
Forecast previously announced (A)	401,000	5,400	7,400	36,850	996.89
Revised forecast (B)	420,000	2,000	5,000	30,000	811.58
Change (B - A)	19,000	△3,400	△2,400	△6,850	—
Percentage change (%)	4.7%	△63.0%	△32.4%	△18.6%	—
(Reference) Results for the fiscal year ended October 31, 2025	304,123	3,391	7,272	8,419	224.87

2. Reasons for the Revision

Net Sales

Net sales are expected to exceed the previous forecast. Although sales decreased in China, this is expected to be more than offset by higher sales in the Americas and an increase in the yen-equivalent value of overseas subsidiaries' sales due to foreign exchange rates remaining weaker for the yen than initially assumed.

Operating Income

With several factors weighing on earnings more heavily than expected in China, the Americas, Japan, and South Korea during the fourth quarter, the Company expects to record an operating loss of approximately ¥1.9 billion for the fourth quarter. Accordingly, the Company has revised its full-year earnings forecast.

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(1) China

In China, the expansion of sales by emerging electric vehicle manufacturers reduced the market shares of the Company's major customers, which are established Chinese automakers, among other factors. As a result, the Company's sales volume declined sharply in the fourth quarter. This lowered capacity utilization at its plants and increased the burden of fixed costs.

In addition, amid intensifying price competition in the Chinese market, the Company continued persistent negotiations in response to requests for price reductions from major customers. However, the negotiations were concluded in the fourth quarter with the Company accepting price reductions of a certain scale, which weighed on earnings. Although the Company implemented various cost-reduction measures, these measures were insufficient to absorb the impact.

(2) Americas

In the Americas, higher material prices and ocean freight costs resulting from the situation in the Middle East preceded the Company's ability to pass these cost increases on to customers through selling prices. In Mexico, while a large portion of sales and purchases is denominated in U.S. dollars, personnel expenses are incurred in Mexican pesos. The appreciation of the Mexican peso from the third quarter through the fourth quarter therefore increased labor costs on a U.S. dollar basis.

In addition, at the U.S. operation for which liquidation was decided in July 2026, a temporary and significant decline in productivity resulted in higher labor costs. The combination of these factors reduced profitability in the fourth quarter.

(3) Japan

In Japan, the Company required time to pass on higher material costs resulting from the situation in the Middle East to customers through selling prices. Consequently, the cost burden arose ahead of the related price revisions and reduced earnings in the fourth quarter.

(4) South Korea

In South Korea, for components supplied by customers, including wire harnesses, the Company periodically settles unit-price differences to reflect fluctuations in raw material prices. In the fourth quarter, the unit prices of these supplied components rose due to a substantial increase in market prices for materials, which weighed on earnings.

As the above factors, principally those described in (1) through (4), were concentrated in the fourth quarter and had a greater-than-expected adverse impact on earnings, the Company has revised its operating income forecast downward from ¥5.4 billion to ¥2.0 billion.

Ordinary Income

Due primarily to the decrease in operating income, the Company has revised its ordinary income forecast downward from ¥7.4 billion to ¥5.0 billion.

Profit Attributable to Owners of Parent

In addition to the decreases in operating income and ordinary income described above, the Company expects to record an extraordinary loss of approximately ¥2.1 billion in connection with the completion of the liquidation of its Spanish subsidiary. The revised forecast also incorporates the impact of impairment losses currently under review to the extent that such impact can be reasonably estimated at this time. Accordingly, the Company has revised its forecast for profit attributable to owners of parent downward from ¥36.85 billion to ¥30.0 billion.

The Company will promptly announce the details and amount of the impairment losses currently under review once they have been finalized.

Note: The forecasts presented above are based on information currently available to the Company and certain assumptions deemed reasonable. Actual results may differ materially from these forecasts due to various factors.

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