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January 29, 2026

Consolidated Financial Results for the Nine Months Ended December 31, 2025 (Under Japanese GAAP)

Company name: Hogy Medical Co., Ltd.
 Listing: Prime Market, Tokyo Stock Exchange
 Securities code: 3593
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 Scheduled date to commence dividend payments: —
 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: None

(Yen amounts are rounded down to millions, unless otherwise noted.)

I. Consolidated Financial Results for the Nine Months Ended December 31, 2025 (from April 1, 2025 to December 31, 2025)

1. Consolidated Operating Results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Nine months ended December 31, 2025	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
28,719	(4.3)	2,088	(38.7)	1,873	(42.7)	1,438	(47.4)	
December 31, 2024	30,016	0.9	3,406	(2.3)	3,269	(8.9)	2,736	4.9

Note: Comprehensive income

For the nine months ended December 31, 2025: ¥1,604 million, down 27.1%

For the nine months ended December 31, 2024: ¥2,200 million, down 52.7%

	Basic earnings per share	Diluted earnings per share
Nine months ended December 31, 2025	Yen	Yen
66.73	—	—
December 31, 2024	120.90	—

2. Consolidated Financial Position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of December 31, 2025	Millions of yen	Millions of yen	%	Yen
94,482	74,481	78.8	¥3,454.25	
March 31, 2025	97,895	74,332	75.9	¥3,447.34

Reference: Equity

As of December 31, 2025: ¥74,472 million

As of March 31, 2025: ¥74,324 million

II. Cash Dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
Fiscal year ended March 31, 2025	Yen 20.00	Yen 20.00	Yen 20.00	Yen 20.00	Yen 80.00
Fiscal year ended March 31, 2026	23.75	23.75	0.00		
Fiscal year ending March 31, 2026 (Forecast)				0.00	47.50

Note: Revisions of dividend forecast from recently announced figures: Not applicable

III. Forecast for Fiscal 2025 (April 1, 2025–March 31, 2026)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Profit per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	39,240	0.3	2,770	(27.3)	2,590	(28.9)	2,030	33.5	94.16

Note: Revisions of forecast of financial results from recently announced figures: Not Applicable

Notes

1. Significant changes in the scope of consolidation during the nine months ended December 31, 2025: None

2. Application of special accounting method: Yes

Note: For more details, please refer to "Notes on Consolidated Financial Statements" on page 13 of this report.

3. Changes in accounting policies, changes in accounting estimates, and restatement

(1) Changes in accounting policies due to revisions to accounting standards and other regulations: None

(2) Changes in accounting policies due to other reasons: None

(3) Changes in accounting estimates: None

(4) Restatement: None

4. Number of issued shares (common shares)

(1) Total number of issued shares at the end of the period (including treasury shares)

As of December 31, 2025	22,535,463 shares
As of March 31, 2025	22,535,463 shares

(2) Number of treasury shares at the end of the period

As of December 31, 2025	975,751 shares
As of March 31, 2025	975,631 shares

(3) Average number of shares outstanding during the period

Nine months ended December 31, 2025	21,559,799 shares
Nine months ended December 31, 2024	22,635,124 shares

Notes:

1. Review of the Japanese-language originals of the attached quarterly consolidated financial statements by certified public accountants and audit corporations: Not applicable

2. Appropriate use of business forecasts; other special items

Performance forecasts and other forward-looking statements contained in this report are based on information currently available and on certain assumptions deemed rational at the time of this report's release. Accordingly, the Company cannot make promises to achieve such forecasts. Due to various circumstances, however, actual results may differ significantly from such statements. For cautionary notes on assumptions underlying the Company's forecasts and the usage of such forecasts, please refer to "(3) Full-year Forecasts for Fiscal 2025" on page 7.

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I. Performance and Financial Position

1. Performance

During the third quarter under review (April 1–December 31, 2025), the business environment surrounding the Hogy Medical Group remained severe. In the healthcare sector, in addition to rising material and utility costs, reforms to doctors' working practices have manifested themselves in full, resulting in challenges such as labor shortages and rising labor costs, and an increasing number of hospitals are falling into the red. Given these circumstances, in terms of short-term action, sweeping budget cuts, including those for materials, are widely being considered. Medium- to long-term measures, however, require structural reforms, including the reorganization of hospital functions, and steps are in fact being taken to consolidate surgical operations on a regional basis. The management of such hospitals are also grappling with the critical theme of boosting productivity and capacity utilization in surgery room-related operations. Furthermore, with systemic changes such as the Japanese government's decision to raise core medical fees by 3.09% in fiscal 2026, some medical institutions are considering investments in initiatives that contribute to more efficient and better quality healthcare provision, as well as improvements in management.

Under these circumstances, the Hogy Medical Group faced the challenge of intensifying competition, with key facilities, including Opera Master facilities, our most important customers, considering switching to relatively lower-priced products from our competitors. In response, during the third quarter, we have deployed sales strategies that place top priority on maintaining and strengthening our customer base. As a result, although the severe sales environment, which required material cost containment, persisted during the period, the number of Opera Master contracts increased by eight compared to the end of the previous fiscal year, demonstrating a certain degree of progress in the strengthening our foundation.

As a result, consolidated net sales for the period under review amounted to ¥28,719 million, down 4.3% from the previous corresponding period. Sales of surgical kit products dipped 3.3% to ¥19,325 million, of which Premium Kit sales climbed 0.6%, to ¥10,228 million. In terms of cost of sales, although depreciation expenses for the second phase of construction of our new kit factory, which commenced operations in April 2023, decreased, the cost of sales ratio nevertheless came to 66.9% (down 0.1 points from the previous year) due to an increase in the purchase price of raw materials among other factors. Selling, general and administrative (SG&A) expenses increased due to the upfront costs of investments in hiring and training personnel, research and development, maintenance, and digital transformation-related expenditures, as well as the recording of one-time expenses associated with head office relocation and restructuring measures. Consequently, operating profit declined 38.7%, to ¥2,088 million. We additionally recorded a one-time non-operating expense of ¥100 million related to our response to the tender offer for the Company's shares. As a result of the above, net income attributable to owners of parent declined 47.4% to ¥1,438 million.

2. Financial Position

(1) Assets, liabilities, and net assets

As of December 31, 2025, total assets amounted to ¥94,482 million, down ¥3,412 million from March 31, 2025.

During the period under review, total current assets dipped by ¥2,419 million, to ¥41,781 million. Factors included a ¥3,720 million decrease in cash and deposits, a ¥1,376 million increase in notes and accounts receivable, a ¥522 million decrease in inventories, and a ¥361 increase in forward exchange contracts. Within fixed assets, property, plant and equipment decreased ¥1,790 million, to ¥43,972 million, reflecting a decrease of ¥729 million mainly due to depreciation of buildings and structures, a decrease of ¥1,857 million largely due to depreciation of machinery and vehicles, a decrease of ¥827 million largely due to the sale of land, and a ¥1,502 million increase in construction in progress. Intangibles fixed assets increased ¥188 million, to ¥565 million. Investments and other assets increased ¥608 million, to ¥8,163 million, mainly due to a ¥487 million increase in investment securities

resulting from mark-to-market valuation of equity holdings and a ¥328 increase in forward exchange contracts. As a result, total fixed assets ended the period at ¥52,701 million.

At the end of the period under review, total liabilities amounted to ¥20,000 million, down ¥3,561 million. Current liabilities decreased ¥2,559 million to ¥7,882 million, mainly reflecting a ¥781 decrease in trade payables, a ¥1,041 million decrease in income taxes payable, and an ¥852 million decrease in accrued consumption taxes. Long-term liabilities decreased ¥1,001 million to ¥12,178 million, mainly reflecting a ¥1,499 million decrease due to repayment of long-term borrowings and a ¥424 million increase in deferred tax liabilities resulting from mark-to-market valuation of equity holdings.

Net assets at the end of the period under review totaled ¥74,481 million, up ¥148 million. Factors included an increase due to ¥1,438 million in profit attributable to owners of parent, a ¥1,455 million decrease due to distributions from retained earnings, a ¥535 million valuation gain on marketable securities resulting from mark-to-market valuation of equity holdings, a ¥477 million increase in deferred gains or losses on hedges, and a ¥862 decrease in foreign currency translation adjustment. As a result, the equity ratio rose to 78.8%, up from 75.9% as of March 31, 2025.

(2) Cash flows

Cash and cash equivalents at the end of the period under review stood at ¥17,758 million, down ¥3,576 million from March 31, 2025. This reflected cash flow factors described below.

Cash flows from operating activities

Net cash provided by operating activities amounted to ¥1,800 million, compared to ¥7,702 million provided in the previous corresponding period. Factors in this result included ¥1,978 million in income before income taxes, ¥3,946 million in depreciation, a ¥1,435 million increase in trade receivables, a ¥726 million decrease in trade payables, a ¥852 million decrease in accrued consumption taxes and other, and ¥1,769 million in income taxes paid.

Cash flows from investing activities

Net cash used by investing activities totaled ¥2,073 million, compared to ¥1,357 million used in the previous corresponding period. Main factors included ¥2,913 million used in the purchase of property, plant, and equipment and ¥895 million provided from the sale of property, plant and equipment.

Cash flows from financing activities

Net cash used by financing activities was ¥2,954 million, compared to ¥4,524 million used in the previous corresponding period. Main factors included ¥1,499 million used for the repayment of long-term borrowings, and ¥1,453 million in dividends paid.

For the entire fiscal year under review, we expect net cash provided by operating activities of around ¥6,120 million; net cash used in investing activities of around ¥4,380 million, mainly due to purchases and sales of property, plant and equipment; and net cash used by financing activities of around ¥3,455 million, mainly influenced by repayments of long-term borrowings and payments of dividends.

3. Full-year Forecasts for Fiscal 2025

In the domestic business, we will proactively carry out value-added proposals that meet the management needs of key facilities, promote Premium Kit, our most important strategic product, and actively focus on activities to acquire 6 further new customers. Through these sales promoting activities, we will ensure medical safety while reducing the workload of medical staff employed in high-stress environments and even supporting improvements to hospital management, such as boosting capacity utilization rates for surgery rooms.

In overseas business, our sales subsidiary Hogy Medical Asia Pacific Pte. Ltd. in Singapore and our Indonesian sales sub-subsidiary P.T. Hogy Medical Sales Indonesia will actively introduce our products to major hospitals in Singapore and Indonesia and other ASEAN countries.

Regarding manufacturing costs, while depreciation expenses associated with investments in Phase II of our new kit factory, which began operations in April 2023, are expected to decrease, the total amount is expected to increase due to factors such as rising material costs. While continuing to make corporate efforts to lower our cost of goods sold (CoGS) through cost reductions and productivity improvements, our manufacturing subsidiary PT Hogy Indonesia will also work to boost productivity and aim to reduce CoGS.

In addition to strengthening sales activities, the programs we have put in place based on our medium-term management plan announced on July 16, 2024, including the launch of new materials and the expansion of DX products, are generally progressing according to plan. We will continue to aim to achieve the goals of the plan as well as implement structural reforms to support medium- to long-term growth.

In light of the aforementioned circumstances, our consolidated performance forecasts for the fiscal year ending March 31, 2026 are as follows.

Consolidated Performance Forecasts for FY2025

Net sales	¥39,240 million (Up 0.3% YOY)
Operating profit	¥2,770 million (Down 27.3% YOY)
Ordinary profit	¥2,590 million (Down 28.9% YOY)
Profit attributable to owners of parent	¥2,030 million (Up 33.5% YOY)

II. Consolidated Financial Statements and Notes

1. Balance Sheets

(Millions of yen)

	As of March 31, 2025	As of December 31, 2025
Assets:		
Current assets:		
Cash and deposits	22,005	18,284
Notes and accounts receivable - trade	7,123	7,496
Electronically recorded monetary claims - operating	4,322	5,326
Merchandise and finished goods	4,734	4,360
Work in process	453	445
Raw materials and supplies	4,757	4,617
Other	803	1,250
Allowance for doubtful accounts	(0)	(1)
Total current assets	44,200	41,781
Non-current assets:		
Property, plant and equipment:		
Buildings and structures, net	21,550	20,821
Machinery, equipment and vehicles, net	11,736	9,878
Land	9,793	8,965
Construction in progress	2,226	3,729
Other, net	456	577
Total property, plant and equipment	45,763	43,972
Intangible assets	377	565
Investments and other assets:		
Investment securities	5,982	6,470
Other	1,765	1,884
Allowance for doubtful accounts	(194)	(191)
Total investments and other assets	7,554	8,163
Total non-current assets	53,694	52,701
Total assets	97,895	94,482

(Millions of yen)

	As of March 31, 2025	As of December 31, 2025
Liabilities:		
Current liabilities:		
Notes and accounts payable - trade	4,765	3,249
Electronically recorded obligations - operating	—	734
Current portion of long-term borrowings	1,999	1,999
Income taxes payable	1,041	—
Provisions	576	354
Other	1,998	1,485
Total current liabilities	10,381	7,822
Non-current liabilities:		
Long-term borrowings	11,670	10,170
Retirement benefit liability	553	477
Provisions	120	84
Other	837	1,446
Total non-current liabilities	13,180	12,178
Total liabilities	23,562	20,000
Net assets:		
Shareholders' equity:		
Share capital	7,123	7,123
Capital surplus	8,294	8,294
Retained earnings	56,552	56,536
Treasury shares	(3,909)	(3,910)
Total shareholders' equity	68,060	68,043
Accumulated other comprehensive income:		
Valuation difference on available-for-sale securities	2,154	2,689
Deferred gains or losses on hedges	112	590
Foreign currency translation adjustment	4,098	3,236
Remeasurements of defined benefit plans	(102)	(86)
Total accumulated other comprehensive income	6,263	6,429
Non-controlling interests	8	8
Total net assets	74,332	74,481
Total liabilities and net assets	97,895	94,482

2. Statements of Income and Comprehensive Income

(Statements of Income)

(Millions of yen)

	Nine months ended December 31, 2024	Nine months ended December 31, 2025
Net sales	30,016	28,719
Cost of sales	20,119	19,221
Gross profit	9,897	9,498
Selling, general and administrative expenses	6,491	7,409
Operating profit	3,406	2,088
Non-operating income:		
Interest income	156	125
Dividend income	70	66
Rental income	72	—
Other	46	32
Total non-operating income	345	223
Non-operating expenses:		
Interest expenses	44	81
Foreign exchange losses	13	41
Provision of allowance for doubtful accounts	161	—
Loss on investments in investment partnerships	76	207
Commission for purchase of treasury shares	46	—
Rental costs	71	7
Provision of reserve for loss on lease contracts	68	—
TOB related expenses	—	100
Other	0	0
Total non-operating expenses	482	438
Ordinary profit	3,269	1,873
Extraordinary income:		
Gain on sale of non-current assets	—	104
Gain on sale of investment securities	1,097	—
Other	—	4
Total extraordinary income	1,097	108
Extraordinary losses:		
Loss on sale of non-current assets	1	—
Loss on abandonment of non-current assets	4	3
Impairment losses	529	—
Other	—	0
Total extraordinary losses	534	3
Profit before income taxes	3,832	1,978
Income taxes	1,095	540
Profit	2,736	1,438
Profit attributable to non-controlling interests	0	0
Profit attributable to owners of parent	2,736	1,438

(Statements of Comprehensive Income)

(Millions of yen)

	Nine months ended December 31, 2024	Nine months ended December 31, 2025
Profit	2,736	1,438
Other comprehensive income:		
Valuation difference on available-for-sale securities	(761)	535
Deferred gains or losses on hedges	261	477
Foreign currency translation adjustment	(45)	(862)
Remeasurements of defined benefit plans, net of tax	9	15
Total other comprehensive income	(536)	165
Comprehensive income	2,200	1,604
(Breakdown)		
Comprehensive income attributable to owners of parent	2,200	1,604
Comprehensive income attributable to non-controlling interests	0	0

3. Statements of Cash Flows

(Millions of yen)

	Nine months ended December 31, 2024	Nine months ended December 31, 2025
Cash flows from operating activities:		
Profit before income taxes	3,832	1,978
Depreciation	4,245	3,946
Interest and dividend income	(227)	(191)
Interest expenses	44	81
Loss (gain) on investments in investment partnerships	76	207
Foreign exchange losses (gains)	28	35
Loss (gain) on sale of property, plant and equipment	1	(104)
Loss (gain) on sale of investment securities	(1,097)	—
Impairment losses	529	—
Decrease (increase) in trade receivables	(758)	(1,435)
Decrease (increase) in inventories	291	354
Increase (decrease) in trade payables	(186)	(726)
Other, net	1,345	(693)
Subtotal	8,124	3,453
Interest and dividends received	282	197
Interest paid	(44)	(81)
Income taxes paid	(659)	(1,769)
Net cash provided by (used in) operating activities	7,702	1,800
Cash flows from investing activities:		
Purchase of property, plant and equipment	(2,684)	(2,913)
Proceeds from sale of property, plant and equipment	3	895
Purchase of intangible assets	(61)	(190)
Proceeds from sale of investment securities	1,114	—
Other, net	269	136
Net cash provided by (used in) investing activities	(1,357)	(2,073)
Cash flows from financing activities:		
Proceeds from long-term borrowings	10,000	—
Repayments of long-term borrowings	(1,499)	(1,499)
Purchase of treasury shares	(11,622)	(0)
Dividends paid	(1,401)	(1,453)
Net cash provided by (used in) financing activities	(4,524)	(2,954)
Effect of exchange rate change on cash and cash equivalents	43	(348)
Net increase (decrease) in cash and cash equivalents	1,864	(3,576)
Cash and cash equivalents at the beginning of the period	18,623	21,334
Cash and cash equivalents at the end of the period	20,488	17,758

4. Notes on Consolidated Financial Statements

- Note related to ongoing concern assumption
Not applicable.

- Note of significant change in shareholders' equity
Not applicable.

- Application of accounting procedures specific to the preparation of consolidated financial statements
(Calculation of tax expenses)
Tax expenses are calculated by reasonably estimating the effective tax rate after applying tax-effect accounting to pre-tax income for the consolidated fiscal year, including the period under review, and multiplying pre-tax income by the resulting estimated effective tax rate.

- Note on segment information

The Company and its consolidated subsidiaries are engaged in the manufacture and sales of medical-use consumables and in peripheral activities, which together are regarded as a single business. Accordingly, there are no classified segments for disclosure purposes.